

CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

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HOUSE OF COMMONS

Friday, June 19, 1964

The house met at 11 a.m.

TRADE

WHEAT—POSSIBLE REDUCTION IN SALES TO RUSSIA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to direct a question to the Prime Minister in the absence of the Minister of Trade and Commerce. It arises out of some questions I asked the other day relative to a suggestion in the press that the U.S.S.R. would not be buying much more Canadian wheat. I would ask the right hon. gentleman whether his attention has been directed to a statement made yesterday by Mr. Khrushchev in Odense, Denmark, as follows:

> It is unlikely Moscow will make further purchases of grain from the west which has provided millions of bushels of wheat to offset poor Russian crops of 1963.

This is a matter that is very important to the economy of Canada. Is the Prime Minister in a position to say what discussions have taken place in this connection, and whether there is sound reason to fear that the U.S.S.R. will be greatly reducing, if not entirely ending, the contracts for the purchase of wheat?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is of course a very important question; it is a question of long range significance. I will have to wait until the return of the Minister of Trade and Commerce today, and perhaps he will be in a position to make a statement on the whole matter early next week.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I wanted to ask the Prime Minister, in view of the uncertainty of continuing wheat sales to the U.S.S.R., if the government would expedite its policy of foreign aid in order to take up some of the slack in wheat exports later this year.

Mr. Pearson: I will be very glad to look into that situation, Mr. Speaker. I was not quite sure that I heard the hon. member's question correctly, but I think it was that we should expedite and increase foreign aid. Certain steps have already been taken in this connection, and if the situation requires it and makes it possible, more steps could be taken.

Mr. Olson: The government have announced that they intend to step up foreign aid, particularly in food exports, to somethink like $40 million a year. I am asking the government now if they will take some action to implement this stated policy of theirs to take up some of the slack.

Mr. Pearson: I said I would be very glad to look into that suggestion, Mr. Speaker.

FINANCE

FAMILY ALLOWANCES—CONSIDERATION OF LEGISLATION EXTENDING APPLICATION

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to address a question to the Minister of Finance and ask whether he could not persuade the government to allow him to bring in at once legislation that will extend family allowances to students of 16 and 17 years of age while attending school, so they might make preparations for the next school term.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, it is the intention of the government to bring in legislation along those lines at the very earliest date, and I hope it will be in early July.

Mr. Starr: A supplementary question, Mr. Speaker. Could not the minister try to persuade the government to break into the flag debate in order to bring forward this very important legislation?

Mr. Gordon: Mr. Speaker, I think the government is—

An hon. Member: In trouble.

Mr. Gordon: —in an excellent position to decide on the order in which the business should be presented to the house.

Mr. Starr: A further supplementary question, Mr. Speaker. Does not the minister consider that this legislation would be far more

important and beneficial to the people of this country than the flag debate?

Mr. Gordon: My personal opinion, Mr. Speaker, is that we should dispose of the flag debate at the very earliest moment.

Some hon. Members: Hear, hear.

Mr. Eldon M. Woolliams (Bow River): A supplementary question to the Minister of Finance, Mr. Speaker. Is that a new suggestion of closure?

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I am under the impression that a supplementary question has been missed. Was the hon. member for Greenwood rising on a supplementary question?

Mr. Brewin: Mine is not a supplementary question, Mr. Speaker.

CANADIAN NATIONAL RAILWAYS

CONSIDERATION OF REFINANCING BILL BY HOUSE COMMITTEE

On the orders of the day:

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I would like to ask a question of the Minister of Transport. I wonder whether the minister could tell the house if, when the bill for the refinancing of the C.N.R. is brought forward, it will be sent to the railway committee so the trucking association will have a chance to bring forward their very legitimate representations on this matter.

Hon. J. W. Pickersgill (Minister of Transport): It will be my intention, Mr. Speaker, if that legislation receives second reading, to ask that it be referred to the standing committee on railways, canals and telegraph lines, which committee, I would hope, would hear not only the truckers but any other interested parties.

Mr. Eric A. Winkler (Grey-Bruce): I have a supplementary question, Mr. Speaker. Would the minister say whether this association could be called before the committee now?

Mr. Pickersgill: I think this is perhaps a question I ought not to answer, because the matter is before the committee. But perhaps it will save time if I just say that I understand the committee has unanimously taken the decision that the right time to hear them would be when the legislation was before the committee. They could then make representations having knowledge of what was proposed.

[Mr. Starr.]

PUBLICATIONS

INTENTION OF GOVERNMENT RESPECTING PENDING LEGISLATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I want to ask a question which may appear repetitious but which is asked in light of the fact that we know he has been having encounters with men in the publishing field. Has he gone any further in his reconsideration of the magazine legislation which was proposed, and in particular does he intend to withdraw the presently indicated legislation from the order paper and substitute a different appoach?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, I have gone no further in this matter.

PROCEDURE

REQUEST FOR COMMITTEE RECOMMENDATION ON LIMITATION OF DEBATE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of Justice in his capacity as house leader. In view of the urgency of change in the procedure of this house if it is to be able to conduct the business before it with reasonable dispatch, will the house leader inquire from the committee on procedure and organization and inform this house whether it may expect an early report recommending reasonable means of limiting debate without unduly restricting the rights of members?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I will be delighted and I will make it a point of duty to inquire.

INDUSTRY

GASOLINE—REQUEST FOR ROYAL COMMISSION INQUIRY INTO PRICE PATTERNS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, I have a question for the Minister of Justice. Has the minister received a telegram from the maritime retail gasoline association asking that a royal commission investigate gasoline price patterns in Canada and, if so, what are the thoughts of the minister on this?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I have received such a telegram, and I have the matter presently under consideration.

Mr. Bell: A supplementary question. In view of the regional nature of the petroleum industry in the maritimes, and their pricing system, will the minister give this matter more than just a routine referral and promise some sort of report back to this house as to the disposition of the matter?

Mr. Favreau: Mr. Speaker, I will consider this suggestion.

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO FILM RESPECTING PRIME MINISTER

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to address a question to the President of the Privy Council. Was the President of the Privy Council in the cabinet room when the film "Mr. Pearson" was being filmed, and were political matters being discussed by those present during the filming?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have already answered that question twice. There was no filming of a cabinet meeting at any time by anyone. Surely that answer can stand.

Mr. Diefenbaker: That was not the question.

Mr. Hamilton: Mr. Speaker, I think for the third time the Prime Minister has attempted to mislead this house. The first time was in the answer he gave to the hon. member for Royal on Tuesday, and then in the answer he gave me yesterday. Now, when I ask the specific question of the President of the Privy Council as to whether he was present in the cabinet room when the film called "Mr. Pearson" was being filmed, and whether political matters were being discussed, there is confusion on the front benches, and the Prime Minister interferes and says he has already answered that question. I should like my question answered.

Mr. Pearson: Mr. Speaker, the hon. member has accused me of misleading the house in answers I have given. The answers I have given on this matter are strictly and absolutely true, and I would ask the hon. member to accept the fact that there was no filming of any meeting of the cabinet or any committee of the cabinet; and I wish he would discontinue this kind of inquiry when the matter has already been dealt with.

Mr. Hamilton: Mr. Speaker, for the fourth time the Prime Minister has given an answer which he claims is the truth. On the basis of the evidence we have I say that it is not the complete truth.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please.

Mr. Pearson: Mr. Speaker, I ask the hon. member to withdraw the suggestion that the answer I gave him was not the complete truth. It was the total and complete truth.

Mr. Hamilton: Mr. Speaker, my question was simple. Was the President of the Privy Council present—

Mr. Pearson: I would ask the hon. gentleman to withdraw the statement that I misled the house and that I did not give the house the total and complete truth.

Some hon. Members: Withdraw.

Mr. Speaker: The Prime Minister has made a request, and I think the hon. member should withdraw the statement unless he has substantial facts to the contrary. There are other ways and means of making a charge instead of making a statement.

Mr. Pearson: You have said, Mr. Speaker, that the hon. member should withdraw the statement unless he has substantial facts to disprove my statement. I ask that this be an unqualified withdrawal.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): The Prime Minister ran into a question that was not directed to him. The question was directed to the President of the Privy Council, who allegedly made the statement in question outside of this house. This is the basis for the question asked by the hon. member for Qu'Appelle.

I point out this, Mr. Speaker, when you are asking for a withdrawal. I am interested in the Prime Minister's attitude today because when a definite statement in this regard was made against me there was no withdrawal, and that was only a few days ago. The statement was made in your presence and it was an improper statement, far and beyond this statement. Nobody was asked for a withdrawal, and I am sure the Prime Minister should not be so touchy.

Mr. Pearson: Mr. Speaker, it is not a matter of being touchy. It is a matter of dealing with a statement made by an hon. member opposite that I did not tell the truth in answer to a question. I claim that I have told the truth,

totally and completely. I ask him to withdraw the insinuation and the statement that I did not.

Mr. D. M. Fisher (Port Arthur): I should like to speak to the point of privilege raised. I am certain that this statement was based on a viewing of the film by the hon. member for Qu'Appelle. I also happen to have seen it; and having seen the film, Mr. Speaker, I do not see how the Prime Minister can ask for a withdrawal of the statement by the hon. member for Qu'Appelle because it is based on what seems to me a legitimate point. I am speaking as one who has viewed the film. Either these ministers and the Prime Minister were appearing as actors playing a scene, some sort of facsimile, or there was a subcommittee meeting of the cabinet which a cameraman filmed and to which the producer had access.

I wanted to express this point of view to you in the light of the demand for a withdrawal; because unless we have a statement from the Prime Minister indicating that this was just a play game for camera purposes I am certainly left with the impression that this was a meeting of the subcommittee of cabinet in the Pearson film.

An hon. Member: Let the public see the film.

Mr. Pearson: There was no committee of the cabinet or subcommittee of the cabinet, no meeting of the cabinet which was filmed. I am informed, but I have not seen the picture, that the particular picture appearing in the press purporting to be of a meeting of the cabinet does not even appear in the film.

Mr. Fisher: On that point may I refer to the meeting which is shown in the film. It shows the Prime Minister in the chair. Then we have the Minister of Transport, who was then house leader, sitting to one side; then, ranged in order, we have the Minister of Labour, the then minister of transport and the Minister of Trade and Commerce. They are carrying on a discussion as to how to meet the problems and difficulties in Montreal. Then they go into the question of how to manage the house business and how to meet the difficulties that may be raised by the particular character and attitude of the Leader of the Opposition.

Some hon. Members: Oh, oh.

Mr. Fisher: This certainly gives the impression of a meeting of a committee or subcommittee of cabinet discussing government business in relation to the House of Commons. It is either that or it is a remarkable job of acting. I think, Mr. Speaker, you should keep this in mind before you ask the hon. member for Qu'Appelle to withdraw anything at the request of the Prime Minister.

Mr. Speaker: I must say this seems to be my week of decision. In any event, each particular case has to be judged on its own merits and I do not think I have to deal with something that is over and, I am happy to say, finished with, I hope. However, I am faced with certain allegations. I have not seen the film. I have not even seen the picture. At this stage I do not want to. But when general allegations of this sort are made against the Prime Minister of the country and the Prime Minister in his capacity as Prime Minister says they are not true, I do not see how anyone can expect the Chair to rule on whether or not they are true. I have to take the word of hon. gentlemen in this chamber.

In view of the demand of the Prime Minister of this country and the fact that, if I understood correctly, he said the statements made were not so, were not true, it seems to me I have no alternative but to ask respectfully that the hon. member, who is making general allegations so far as I know at this stage, be kind enough to withdraw.

Mr. Diefenbaker: Mr. Speaker, you have the statement of a member of this house, the hon. member for Port Arthur, who saw this thing. He saw it. Certainly his word is to be taken too. The hon. member for Qu'Appelle has made certain statements, and I submit that when one hon. member is supported, as is the hon. member for Qu'Appelle, by one of the audience that was privileged the other day to see this film which has been suppressed everywhere else, the Prime Minister should not be pressing for a withdrawal. Otherwise, if he presses that point I am going to ask that we have this film so we can get the truth. I am going to ask that it be produced for the benefit of the house so we can find out by actual visual inspection who is telling the truth.

Mr. Pearson: Mr. Speaker, I do not propose to speak for anybody else but I propose to say that I was telling the truth, the total truth, and I ask the hon. gentleman to accept that. He says, in throwing doubt on my word, that two hon. members have seen this film.

Mr. Diefenbaker: I said one.

Mr. Pearson: One hon. member has seen this film. The hon. member may have seen this film. I have not.

Mr. Diefenbaker: You did.

Mr. Pearson: I have not seen this film.

Mr. Churchill: What have you seen, then?

Mr. Diefenbaker: What did you see, an expurgated edition of an expurgated edition?

Mr. Pearson: If the hon. gentleman will contain his excitement I will finish my statement.

Mr. Diefenbaker: Give us the truth.

Mr. Pearson: The hon. gentleman who says he has seen the film—

Mr. Horner (Acadia): Where is the truth squad now?

Mr. Pearson: I know hon. gentlemen do not like the truth. That is why they are interrupting.

Mr. Horner (Acadia): We like the truth. That is what we want.

Mr. Pearson: I ask the hon. member for Port Arthur if he can bring in evidence to confirm that he saw in the film the particular picture in the newspaper, and that there was any picture in the film of a meeting of the cabinet; because there was not.

Mr. Horner (Acadia): How do you know? You never saw it.

Mr. Hamilton: Mr. Speaker, with regard to the point of order and whether or not I should withdraw, I submit there are two or three small points that may have escaped your notice. One is that yesterday when I asked my original question I pointed out that a certain picture had appeared in a Montreal newspaper. In this picture I recognized certain things and certain people. Then I looked at the question by the hon. member for Royal on Tuesday and at the answer by the Prime Minister, and there was a discrepancy between that answer and the picture which I saw, in which I recognized certain things as a member of parliament and as an ex-member of the cabinet.

The Prime Minister yesterday repeated to me the answer he gave to the hon. member for Royal, and when I thought Your Honour was ruling future questions like this out of order I rose and put in a caveat to the effect that there were serious implications in the answer of the Prime Minister that I would like to review in the light of fuller evidence which I am in the process of collecting.

I would like to read to you, if I may, the reasonable way I put my question yesterday:

> I have in my hand a copy of the Montreal *Gazette* of yesterday which shows what purports to be—

Mr. Pearson: "What purports to be".

Mr. Hamilton:

> a still picture from this controversial film. It is labelled "At cabinet. This picture of Prime Minister Pearson addressing the cabinet was taken from the controversial film". I would like to ask the Prime Minister—and I am sure there is a rational explanation for this—whether he could give to the house a more rational explanation of this apparent contradiction, so that unhappy interpretations will not be placed on this apparent difference.

In other words, Mr. Speaker, I would have liked yesterday, as a reasonably moderate member of the house, to have the Prime Minister give me the full explanation of what went on. Apparently one of the members of the press went to the Prime Minister's office and got a fuller explanation last night, and it appears in the *Globe and Mail* this morning.

The Prime Minister refused that fuller explanation to me yesterday so today, when I asked a follow up question to get at more of the facts from the President of the Privy Council, whether he was at a meeting in the cabinet room when these people were filming this film called "Mr. Pearson", and whether political matters were being discussed, I would like an answer to that question. On that answer a great deal depends as to whether or not I am willing to withdraw the remarks I have made to the Prime Minister.

Once again I repeat; the third point is that I did not say what the Prime Minister said yesterday was in the narrow sense untrue. I said in my view it was not the complete truth. The Prime Minister says it was the complete and total truth; but the hon. member for Port Arthur, who has seen the film, knows from his observations of that film, and on his word as a member of this house, says it left the impression in his mind that this was in the cabinet room and that certain things were being discussed that left the impression with the viewer of that film that this was part of the daily life of a prime minister.

I am suggesting here that when the Prime Minister made that statement yesterday it was not the complete truth. The complete truth can only be found when we see the film, so I am asking certain ministers what went

on there and whether certain things said in that film were said by them.

I would like to ask the President of the Privy Council, was he there when this film crew was in the cabinet room when certain political matters were being discussed, and when I get an answer from him I will at least know where I stand. I would be willing to withdraw if the Prime Minister feels hurt over these things, if I could get an answer to my question, but I do not want a red herring drawn across the question I asked. I want to get an answer, which is my right.

Mr. Pearson: Mr. Speaker, I asked the hon. member to withdraw the statement he made, and you have asked him to withdraw. He is now talking about the impression which may have been created in people's minds that this was a meeting of the cabinet. I tell him again, and the house, that I am informed this particular newspaper photograph did not appear in the film at all.

An hon. Member: How do you know?

Mr. Pearson: I repeat, I am informed that it did not, by those responsible for showing the film. I also repeat that there was no filming of a cabinet meeting at all, and the picture in question was not a picture of a meeting of the cabinet. It was a picture of certain cabinet ministers assembling before a cabinet meeting. There was no filming of any cabinet meeting or any committee of the cabinet, and I repeat that according to my information the particular picture in question did not appear in the film that was shown.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, before an irrevocable decision is made on your part may I refer Your Honour to citation 154 in the fourth edition of Beauchesne, paragraph 5, which says:

> It is not unparliamentary to say that a statement is untrue, but it is unparliamentary to say that it was untrue to the knowledge of the member addressing the house.

I think this illustrates the wisdom of the decisions laid down under this citation.

Mr. Hamilton: One thing finally, Mr. Speaker. I will withdraw my remarks if I can get an answer to the original question I asked the President of the Privy Council, without interference from the Prime Minister and any of his colleagues.

Mr. Pearson: Mr. Speaker, before the President of the Privy Council replies I ask you to confirm the ruling you have made.

[Mr. Hamilton.]

According to the hon. member the withdrawal is now made conditional on the President of the Privy Council answering a question. Surely, Mr. Speaker, you have asked for unconditional withdrawal, and it should be given.

Mr. Ralph Cowan (York-Humber): Mr. Speaker, I am one of the members of the house who saw that film in its entirety when it was presented by members of the press gallery down at Crawley Films. I was there from the beginning until the very end, and I can back up the Prime Minister in every detail of his statement when he states that the picture purporting to be a meeting of the cabinet, the picture that appeared in the newspaper, does not appear in the film from beginning to end. There are one or two pictures purporting to show meetings of committee of the cabinet which occupy a good portion of the film but which I consider the worst piece of motion picture t.v. programming I ever did see. I repeat that the purported picture in the newspaper did not appear in the film; only those two committee meetings.

Mr. Speaker: This is certainly not the easiest decision to give especially when the evidence, to my poor legal brain, seems to be somewhat faulty. It seems to me allegations are made this morning on pictures which appear in newspapers and on implications drawn from the seeing of a film. On the one side that is the charge. On the other side you have the total repudiation by the Prime Minister of the country, that there was no meeting of the cabinet at this time.

Inasmuch as the right hon. Prime Minister must have been at that meeting, or at least his colleagues were, I think the benefit of the doubt should be given to the people who were on the spot and not to pictures that may appear in the newspapers or to implications drawn from headings, or otherwise from the viewing of the film. Therefore in view of the complete, absolute and total denial by the Prime Minister of the implication and of the charge, it does seem to me that according to Beauchesne's fourth edition, citation 155:

> It will be useful to give examples here of expressions which are unparliamentary and call for prompt interference. These may be classified as follows:
>
> 1. The imputation of false or unavowed motives.
>
> 2. The misrepresentation of the language of another and the accusation of misrepresentation.
>
> 3. Charges of uttering a deliberate falsehood—

Therefore in the circumstances and in view of the discussion I would respectfully ask the hon. member for Qu'Appelle to withdraw.

Mr. Hamilton: Mr. Speaker, I think I made my conditions known. I asked quietly for an answer from the President of the Privy Council and it was not given to me. I know the Prime Minister's statement leaves aside the real issue. I am not talking about this film particularly; I am simply trying to get an answer to the question. Until I get that answer I think my rights have been infringed, and I have no recourse but to say my conditions are unchanged and I will leave the course of action up to you.

Mr. Speaker: I know very well the hon. gentleman, whom I respect and have respected ever since I had the privilege of meeting him; and without in any way wishing to imply that I am dodging the issue—because I am not dodging the issue—in view of the statements and countercharges and allegations and questions asked yesterday and today I do think it is reasonable for the Chair to be allowed some time to examine this matter carefully. I do not wish to make a wrong decision or to render injustice to either side, but I think the Chair is taken somewhat by surprise. It is my responsibility, but I should like, over the week end, to go into this further and consider the matter carefully. Therefore I will take it under consideration.

Mr. Pearson: Well, the Leader of the Opposition suggested that one way of clearing up this particular allegation would be to have a showing of this film for members of parliament. I hope that can be arranged, and that this can be done without interfering with the C.B.C., who have custody of the film. I will take the right hon. gentleman's request to the C.B.C. and join in that request that this film be made available to members.

Mr. Diefenbaker: That shows the benefit of discussion, Mr. Speaker. The other day there was suppression. Now we are to get the film, possibly, if the Prime Minister can direct the C.B.C.—

Some hon. Members: Oh, oh.

Mr. Pearson: I resent the right hon. gentleman's words. There has been no suppression. I said in this house a week ago that whatever decision was made by the C.B.C. I would gladly accept it. If I had told the right hon. gentleman at that time that I would ask the C.B.C. to make this film available he would then have accused me of interference, as he is doing now.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: On a question of privilege—

Mr. Pearson: I have the floor and wish to complete my remarks.

Mr. Speaker: I can only say I am very glad I do not have to attend caucus any more.

Mr. Pearson: Now, Mr. Speaker, to complete my statement—

Mr. Diefenbaker: On a question of privilege, the Prime Minister may wave his hand—

Some hon. Members: Order.

Mr. Speaker: Order. The Prime Minister was, I believe, completing his statement, and I do not know on what ground the Leader of the Opposition is rising.

An hon. Member: He is annoyed.

Mr. Diefenbaker: I am not at all annoyed. I am, rather, amused by the Prime Minister.

An hon. Member: Calm him down.

Mr. Speaker: Let us take this in sequence. First, the Prime Minister.

Mr. Pearson: Since I am going to be accused of interfering with the C.B.C. whatever I do or do not do, I agree that the C.B.C. should be asked to show the film to members of parliament. And in view of what has happened this morning I hope I shall not be accused of interfering with the affairs of the C.B.C. if I get in touch with the president of the corporation and express my own view that this film should now be exhibited publicly.

Mr. Diefenbaker: On a question of privilege, the Prime Minister a moment ago adopted the fighting attitude of Bonnie Dundee. Well, Bonnie Dundee had some influence. The Prime Minister does not exercise the same influence. He now says, after ten days of soul searching, that he will get in touch with the C.B.C. to find out whether they might produce this film and allow members to see it. Well, we have got that far along the road. Now we want the Canadian people to see it.

An hon. Member: That is what he said.

Mr. Diefenbaker: The Prime Minister is the one who stopped this being shown.

Mr. Pearson: On a question of privilege, that last statement by the right hon. gentleman is false and untrue.

Mr. Diefenbaker: I do not ask for withdrawals. I do not have that thin skin which the Prime Minister showed today and which he has shown so often. I do not mind what he says. The facts tell the story, that the Prime Minister and the government interfered. Otherwise they would not have had the 12 screenings. It was not enjoyment and entertainment which kept them there watching it all those times.

Mr. Speaker: We now seem to have reached a happy conclusion, and I am not going to admit any more supplementaries.

Mr. Hamilton: I wish to ask a small supplementary question. If the Prime Minister intends to ask the C.B.C. to let members of parliament see this film, I think we would want to see the complete film before editing took place. We want to see the original film before it was censored; we want to find out why the C.B.C. refused to produce it. It is these missing parts that are of interest to us. I think the C.B.C. have been under tremendous pressure as a result of all these screenings; they have turned it down because they will not publish, under their own name, a censored film. I should like to look at the uncensored film to see what has been taken out.

Mr. Pearson: I will be very glad to ask the C.B.C. to show the hon. gentleman the missing parts of the film.

Mr. Speaker: Order. Let us get on with the business before the house.

[*Later:*]

Mr. Diefenbaker: Mr. Speaker, I would like to direct a question to the Secretary of State and ask him if he will ascertain whether the C.B.C. yesterday refused to permit the screening of a print of the film "Mr. Pearson" for a group in Ottawa last night. Did the C.B.C. take the stand that the expurgated edition which they have on hand is being held in escrow, and will the minister direct the attention of the C.B.C. to the fact that what is wanted is not the revised or expurgated edition but the entire edition before it received excision following the consideration given it by ministers of the government?

Hon. Maurice Lamontagne (Secretary of State): I will, Mr. Speaker.

Mr. Bell: I want my $2 back.

[Mr. Diefenbaker.]

Mr. Pearson: I told you that you would be disappointed.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a supplementary question for the Secretary of State. Will the Secretary of State say that no pressure through any agency has been brought to bear on any private television system which would preclude such system from showing the Ballentine film of the Prime Minister?

Mr. Lamontagne: I know of no pressure, Mr. Speaker.

[*Later:*]

Mr. D. S. Macdonald (Rosedale): Mr. Speaker, I should like to address a question to the Secretary of State in relation to certain other matters that have happened this morning. I wondered whether he would ask the president of the C.B.C. to arrange for a public showing of the unexpurgated edition of their film on the Leader of the Opposition?

Mr. Diefenbaker: Sure. That would be wonderful.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Speaker, I would welcome that, for the edification of hon. gentlemen opposite.

[*Later:*]

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a supplementary question to the Secretary of State?

If the C.B.C. intends to show the film "Mr. Pearson" on the English t.v. network, will it be possible to see it also on the French network?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I shall pass on to the C.B.C. the hon. member's request.

Mr. Pigeon: For $35,000, it is worth the trouble.

[*Text*]

CANADIAN CONSTITUTION

INQUIRY AS TO STEPS TOWARD REPATRIATION

On the orders of the day:

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct my question to the right hon. Prime Minister. I wish to point out in the first place that if the suggestion I made a year ago, namely that the

proceedings of the House of Commons be televised, had been accepted, we would certainly have seen a good show this morning.

The question which I wish to ask to the right hon. Prime Minister is based on the official report of June 18, 1964, in the right column on page 4445, when the Prime Minister made a statement concerning the submission of a resolution to the parliament of Westminster to amend our constitution. He said the following:

> The means for achieving this purpose — that is by submission of a resolution to the parliament at Westminster is of course strangely out of date and indeed inappropriate.

My question is as follows. Does the present government intend to introduce a bill or a measure to repatriate our constitution as a result of the Prime Minister's statement yesterday?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): This matter has, of course, been discussed, and it is before the house in connection with the resolution. If I did not deal yesterday with this particular point it was because I thought it would be out of order to do so, since the resolution provides only for an amendment to the British North America Act for a particular purpose; it does not deal with the whole process of the repatriation of our constitution. But I can assure the hon. member that in the course of the debate, if it were in order, we would be very glad indeed to take up this matter, and we do have every intention of taking steps to repatriate our constitution. As a further step in the progress which has been made we propose to put the matter on the agenda of the next federal-provincial conference to be held in Charlottetown, I believe, in August.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I rise on a question of privilege.

When hon. members on this side ask questions which are serious enough for the Prime Minister to answer them seriously and intelligently, people like the hon. member for Lotbinière (Mr. Choquette) keep on saying they are stupid questions.

This is my question of privilege, Mr. Speaker. Hon. members on this side have the right to ask questions without being interrupted by people like the hon. member for Lotbinière and without having their questions called stupid.

In this connection I feel that you must call people like that to order because not only during the question period but throughout the whole day they flout the privileges of the house and do not act in a gentlemanly way in this assembly.

[*Text*]

Mr. Speaker: Order. It seems to me every member in the house owes respect to his colleagues, and I hope that it sufficient warning for the future.

NATIONAL PARKS

NOVA SCOTIA—REQUEST FOR PROGRESS REPORT ON KEJIMKUJIK PARK

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources, and in his absence I direct it to his parliamentary secretary. In view of the importance of the tourist industry in the province of Nova Scotia, can the minister's parliamentary secretary tell the house what progress is being made on the Kejimkujik national park, and when can we expect development to start on this tourist attraction?

Mr. Speaker: This is a delightful question for the order paper.

WATER SAFETY

OTTAWA—REQUEST FOR SUPERVISOR OF MOONEY'S BAY AREA

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have an urgent question that affects public safety. I direct it to the Minister of Transport and ask him whether in conjunction with the Minister of Justice he is prepared to provide immediate supervision of the Mooney's bay and adjacent areas of the Rideau river for the protection of the public.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I was much intrigued by the suggestion of the mayor of Ottawa that I should go "canoedling" with that lady, and if I were not so frightfully busy I would like to do it. But I am going to suggest to the honourable lady that she invite the hon. member for Winnipeg South Centre to replace me on that occasion. Actually I think it is well known that the laws regarding offences are made by the parliament of Canada but

that the primary responsibility for the enforcement of these laws rests on the provincial and local authorities. I think the mayor of Ottawa was quite right in referring the matter to the police commission of the city.

Mr. Churchill: A supplementary question, Mr. Speaker. As a resident of that area I noticed that last year the patrol was carried out by the R.C.M. Police. Is that not to be the case again this year? It is an urgent and serious matter. I did not mention the interesting suggestion of the mayor of Ottawa, but I am a better canoeist than my hon. friend. It is a very serious matter because of the accident that occurred there just a few days ago, and on several occasions in the past I have observed similar near accidents. I should hope that immediate action would be taken effective this week end.

Mr. Pickersgill: I will have the matter looked into as soon as the orders of the day are over, Mr. Speaker.

BUSINESS OF THE HOUSE

CONSIDERATION OF SECOND PART OF FLAG RESOLUTION—BUSINESS FOR NEXT WEEK

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister and ask him, with regard to the flag resolution, whether when part A is disposed of, part B will be immediately debated.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the government will announce the order of the business in due course. Naturally the order of business in the house is determined by the length of time devoted to any particular measure.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Can either the Prime Minister or the government house leader tell us what the business will be for Monday and Tuesday? I ask this question not only as a supplementary but because I do not think we got the complete picture last night.

Mr. Horner (Acadia): We didn't get the picture at all last night.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, to complete what I said last night, on Monday we will be taking interim supply if the debate on the constitutional amendment is completed, but we will complete the debate on the constitutional amendment first. Just before taking interim supply we will live up to the arrangement made among the house leaders to have a short debate on the measure respecting the Roosevelt Campobello international park.

TRANSPORT

FREIGHT HANDLING ON FERRY SERVICE, NORTH SYDNEY-PORT AUX BASQUES

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Minister of Transport. It is in reference to his announcement last night concerning the ferry to operate between Port aux Basques, Newfoundland, and North Sydney. Would the minister consider making a statement in order to alleviate the anxiety that exists in North Sydney and district concerning this new ferry service that is to be put into operation? Could he make a statement to the effect that freight handling will still be carried out in North Sydney, so as to continue employment there? This is a question I posed on another occasion, and I believe it was posed last night by the hon. member for Danforth (Mr. Scott). I should like to know whether it is possible to get a reply of some sort, because the mayors of the towns, the boards of trade and the stevedores who will be affected are very interested in this matter.

Mr. Speaker: Order, please. The hon. member has asked his question.

Mr. Muir (Cape Breton North and Victoria): I beg your pardon, sir?

Mr. Speaker: The hon. member has asked a rather long question.

Mr. Muir (Cape Breton North and Victoria): Could I get a reply, sir?

Mr. Speaker: Perhaps the hon. member will put it on the order paper. I am sure he would get a reply.

Mr. Muir (Cape Breton North and Victoria): With Your Honour's permission I should like to debate this question at the first opportunity at ten o'clock.

EDUCATION

LOANS TO STUDENTS—INQUIRY AS TO LEGISLATION

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I should like to address a question to the Prime Minister. Because it is necessary for

some students wishing to continue their education to be assured of a student loan before applying for college entrance this summer, does the Prime Minister not consider the proposed student loan legislation urgent enough to be proceeded with at once?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is very urgent and important legislation, but so is other legislation before the house. I hope this particular proposal to which my hon. friend refers will be disposed of in ample time for students to benefit from it before the beginning of the next academic year.

HEALTH AND WELFARE

FIRST VOLUME OF REPORT OF ROYAL COMMISSION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister based on his announcement yesterday that at one o'clock today the report of the royal commission on health services would be tabled. May I ask the Prime Minister whether he will be making a statement at the time he tables that report at one o'clock, after asking that the house revert to motions, or will he be tabling any kind of summary with respect to this important document?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it is my impression, subject to checking, that at one o'clock, if the house agrees, we will be tabling volume 1 of the report. Volume 2 is merely the volume containing the supporting papers and evidence, and volume 1 is the substantive report. With it will be tabled, I believe, a summary made by the commission of the contents and recommendations of the report.

Mr. Knowles: May I ask a supplementary question, Mr. Speaker. If the report contains some specific recommendations, will the government be acting on them as soon as possible?

Mr. Pearson: We will have to consider the recommendations first, to see whether it is the government's policy to implement them. They have to be studied. Those which are to be implemented should, I agree, be put into effect as soon as possible.

OTTAWA—X-RAY EXAMINATION OF POST OFFICE EMPLOYEES

On the orders of the day:

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, a couple of days ago the hon. member for Kootenay West posed to me the question whether a request had been received from employees of the Post Office Department in Ottawa for X-ray testing as the result of one of their members having to be hospitalized with a case of active tuberculosis. I should like to thank my hon. friend for this inquiry and to inform him that my department has arranged for chest X-rays of all the employees in that department, and we are looking into the possibility of extending this examination.

Mr. H. W. Herridge (Kootenay West): I should like to compliment the minister for taking effective action.

WATER RESOURCES

SUGGESTED DEPARTMENTAL DIVISION TO DEAL WITH WATER LAWS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I would like to address a question to the Minister of Transport. In consideration of the complex problems of low water in the great lakes and the St. Lawrence seaway, and flood conditions in other parts of the country, has any thought been given to the establishment of a departmental division staffed by competent engineers to deal with these matters governed by properly constituted water laws?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, there is a very great deal of governmental machinery to deal with this very important problem that we are seeking to improve all the time. If there is any possibility of improving its co-ordination, and if hon. members from any quarter of the house or anyone else can make any suggestions for improving what is, after all, one of the greatest of all our national assets, this would be very welcome to the government.

LABOUR CONDITIONS

QUEBEC—EMPLOYMENT FOR WORKERS LAID OFF FOLLOWING MERGER

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Can the minister tell the house if he contacted the government of the province of Quebec in order to settle the problem which

now exists in the Thetford Mines area, concerning the merger of two or three asbestos mines?

[*Text*]

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker, I have no communication on that subject from the Quebec government.

LABOUR RELATIONS

NORTHLAND NAVIGATION LIMITED—SIGNING OF AGREEMENT WITH S.I.U.

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, while I am on my feet may I answer a question asked by the hon. member for Kootenay West regarding the presumed signing of an agreement between the S.I.U. and Northland Navigation Company Limited.

It is not the role of the trustees to approve or disapprove any agreements entered into by unions under trusteeship, though they are entitled under the law, as the hon. member realizes, to tender advice to bargaining committees or to designate officers to act on such committees where they do not exist.

In the particular case reported by the hon. member for Kootenay West I am advised that a memorandum of understanding has been concluded to be placed before the membership and, if ratified, an agreement between the S.I.U. and the Northland company will be signed. This is a renewal of an existing agreement. Its acceptance or rejection is up to the membership of the union itself, and naturally members of any other union will have no opportunity to determine what action the S.I.U. itself will take on this agreement.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. I thank the minister for the information, but is this memorandum of agreement approved by the trustees?

Mr. MacEachen: On that specific point, Mr. Speaker, I do not think the trustees have indicated either approval or disapproval of the memorandum itself. I realize the circumstances in which my hon. friend is interested, and I can understand the relationship which may exist between this memorandum and the negotiations undertaken by the other union. I know there is a relationship, but the membership of the S.I.U. must itself ultimately determine whether the agreement is or is not a good agreement.

SHIPPING

MONTREAL—FEDERAL PARTICIPATION IN STUDY OF WATER LEVELS

On the orders of the day:

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, yesterday I undertook to try to have an answer today to the question asked by the hon. member for Chapleau concerning a meeting to be held on June 30 regarding the water level in the port of Montreal.

I believe the hon. member is referring to a meeting organized by the port council of Montreal. I understand that the Minister of Transport and the parliamentary secretary to the Minister of Northern Affairs and National Resources will both be present at least for part of the meeting, and that officials of a number of interested government departments will be participating.

BRITISH NORTH AMERICA ACT

ADDRESS REQUESTING AMENDMENT TO PROVIDE FOR SURVIVORS' AND DISABILITY BENEFITS

The house resumed, from Thursday, June 18, consideration of the motion of Mr. Pearson:

That a humble address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the ..... Commons of Canada in parliament assembled, humbly approach Your Majesty, praying that you may graciously be pleased to cause a measure to be laid before the parliament of the United Kingdom to be expressed as follows:

An act to amend the British North America Act 1867.

Whereas the Senate and House of Commons of Canada in parliament assembled have submitted an address to Her Majesty praying that Her Majesty may graciously be pleased to cause a measure to be laid before the parliament of the United Kingdom for the enactment of the provisions hereinafter set forth:

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present parliament assembled, and by the authority of the same, as follows:

Amendment as to legislation respecting old age pensions. 30 & 31 Vict., c. 3; 9 Eliz. II, c. 2.

1. Section ninety four A of the British North America Act, 1867 is hereby repealed and the following substituted therefor:

Legislation respecting old age pensions and supplementary benefits.

"94A. The parliament of Canada may make laws in relation to old age pensions and supplementary benefits, including survivors' and disability benefits irrespective of age, but no such law shall affect the operation of any law present or future of a provincial legislature in relation to any such matter."

Short title and citation.

2. This act may be cited as the British North America Act, 1964, and the British North America Acts, 1867 to 1960, and this act may be cited together as the British North America Acts, 1867 to 1964.

Mr. Deputy Speaker: Shortly before government business was suspended last evening for royal assent proceedings, when the house was considering a motion by the right hon. Prime Minister for the presentation of an address requesting a constitutional amendment, the hon. member for Villeneuve moved in amendment thereto the following:

I move, seconded by the hon. member for Roberval (Mr. Gauthier), that the following words be added to section 94A after the words "to any such matter": "but this amendment to the British North America Act does apply only to those provinces who will ask for it".

A number of hon. members were considerate, enough to offer their views on the legality of the amendment. As I pointed out last night, many of the arguments put forward either in support of or in opposition to the amendment touched on the constitutional aspect of the matter rather than on the very limited procedural aspect that must be of concern to the Chair in accepting or rejecting the motion.

The hon. member for Lapointe made a very interesting contribution to the discussion. He argued that this amendment proposed by the hon. member for Villeneuve is constitutional. He said in particular, as reported at page 4671 of the French edition of *Hansard:*

[*Translation*]

I say that the subamendment is constitutional and that it completes the other one because it bears no relation to the legislation which the government proposes to introduce this year concerning old age pensions.

It is a complementary amendment because it is connected with the future legislation that the federal government will wish to move as regards the Old Age Pensions Act; it will also permit the government to legislate on the supplementary benefits, including survivors and disability benefits, irrespective of age.

And further on:

Mr. Speaker, I believe that to save a principle is far more important that all the arguments put forward by representatives of the four other parties. We must save the principle that, in such fields, in provincial fields, the federal government should never be able to take action without the consent or the agreement of the provinces, more particularly of the province of Quebec.

For those reasons, Mr. Speaker, I believe you should declare the amendment in order.

The suggestion that the amendment is constitutionally acceptable or that it deserves the support of the house as to its principle, does not, I think, mean that it is necessarily acceptable as far as standing orders are concerned.

An amendment is out of order from the procedural standpoint if it contradicts the main motion it is intended to amend. In the remarks he made last night, the Minister of Justice (Mr. Favreau) said:

—I submit that the amendment is entirely out of order, because it is contrary to the very nature of the subject matter and also because it would render meaningless the aim and object of the resolution now under consideration.

The hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul), the hon. member for Sherbrooke (Mr. Chapdelaine) and the hon. member for Winnipeg North Centre (Mr. Knowles) were of the same opinion.

[*Text*]

May I refer particularly to the opinion expressed by the hon. member for Winnipeg North Centre, who said in part, as reported at page 4479 of *Hansard,* when speaking to this amendment:

It is not relevant in that it says that it does not apply to the provinces. Section 94A does not apply to the provinces either. This is an amendment giving the federal parliament power; and when an hon. member comes along with an amendment which says that it does not apply to the provinces unless that is asked for, our problem is that it does not seem to make any sense in English or in French.

I should like to refer hon. members to citation 203(1) of the fourth edition of Beauchesne, page 171, which reads as follows:

Every amendment proposed to be made either to a question or to a proposed amendment should be so framed that if agreed to by the house the question or amendment as amended would be intelligible and consistent with itself.

I also refer hon. members to citation 202, paragraph 12, which reads as follows:

An amendment proposing a direct negative, though it may be covered up by verbiage—

I might say I am not too enthusiastic about the word "verbiage". It seems to have a rather strong connotation which I would not like to apply to the amendment proposed by the hon. member.

—is out of order.

Then, paragraph 15 reads as follows:

An amendment approving part of a motion and disapproving the remainder is out of order. On the

Division

20 October, 1932, the prime minister moved that the house approve a trade agreement entered into between Canada and the United Kingdom. An amendment was moved that the house welcomed certain terms of the agreement and condemned several features of it. The Speaker ruled it out because (a) the portion of the amendment which approved the agreement was useless as it suggested no change in the main motion, and also, (b) an amendment to disapprove what the main motion approves is nothing but an expanded negative.

[*Translation*]

That is why I must reluctantly rule out of order the amendment proposed by the hon. member for Villeneuve.

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I appeal from your ruling.

Mr. Deputy Speaker: Order. The house has heard the Speaker's ruling which was appealed by the hon. member for Lapointe.

All those in favour of sustaining the decision of the Chair will please say yea.

[*Text*]

All those in favour of sustaining the decision of the Chair will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

And the members having been called in:

Mr. Deputy Speaker put the question as follows:

The question is an appeal to the house from the ruling of the Chair which is as follows:

Some hon. Members: Dispense.

Mr. Deputy Speaker:

The Chair ruled the proposed amendment out of order in that it was in effect an expanded negative and also that what it proposed was foreign to and in contradiction of the proposal in the main motion.

Whereupon the hon. member for Lapointe appealed to the house from a decision of the Chair.

The house divided on the question: Shall the Speaker's decision be sustained? And the decision of the Chair was sustained on the following division:

YEAS

Messrs:

Aiken
Alkenbrack
Armstrong
Asselin (Richmond-Wolfe)
'Badanai
Balcer
Baldwin
Barnett
Basford
Batten
Béchard
Bell
Benson
Berger
Blouin
Brewin
Brown
Byrne
Cadieu (Meadow Lake)
Cadieux (Terrebonne)
Cantelon
Cantin
Cardiff
Cardin
Caron
Carter
Cashin
Chapdelaine
Chatterton
Choquette
Chrétien
Churchill
Clancy
Cooper
Côté (Chicoutimi)
Côté (Longueuil)
Cowan
Crossman
Crouse
Cyr
Danforth
Deachman
Deschatelets
Diefenbaker
Doucett
Drouin
Drury
Dubé
Dupuis
Eudes
Fane
Favreau
Forbes
Forest
Francis
Frenette
Gelber
Gendron
Girouard
Gordon
Granger
Gray
Greene
Groos
Guay
Gundlock
Habel
Hahn
Haidasz
Hamilton
Harkness
Harley
Herridge
Honey
Horner (Acadia)
Horner (The Battlefords)
Howard
Howe (Wellington-Huron)
Jorgenson
Kennedy
Klein
Knowles
Konantz, Mrs.
Korchinski
Lachance
LaMarsh, Miss
Lamb
Lamontagne
Laverdière
Leboe
Lessard (Lake St. John)
Lloyd
Macdonald
MacEachen
MacEwan
MacInnis
Mackasey
MacLean (Queens)
MacNaught
Macquarrie
MacRae
McBain
McIlraith
McIntosh
McMillan
McWilliam
Madill
Marcoux
Mather
Matheson
Matte
Mitchell
Monteith
More
Moreau
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Munro
Nasserden
Nicholson
Nowlan
O'Keefe
Olson
Ormiston
Otto
Pascoe
Paul
Pearson
Pepin
Peters
Pickersgill
Pigeon
Pilon
Prittie
Prud'homme
Pugh
Rapp
Regan
Rhéaume
Ricard
Richard
Rinfret
Robichaud
Rochon
Rock
Rouleau
Rynard
Sauvé
Scott
Simpson
Slogan
Smallwood
Southam
Starr
Stefanson

Stenson	Walker
Stewart	Watson (Assiniboia)
Tardif	Watson (Châteauguay-Huntingdon-Laprairie)
Temple	Webb
Thomas	Webster
Thompson	Weichel
Tremblay	Winch
Tucker	Winkler
Turner	Woolliams—174.
Wahn	

NAYS

Messrs:

Beaulé	Langlois
Bélanger	Latulippe
Boutin	Perron
Dionne	Plourde
Gauthier	Rondeau—11.
Grégoire	

Mr. Deputy Speaker: I declare the decision of the Chair confirmed.

Mr. Pennell: Mr. Speaker, I was paired. Had I voted I would have voted to sustain your ruling.

Mr. Deputy Speaker: Is the house ready for the question?

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, other hon. members who have preceded me dwelt on the very unhappy situation relating to amendments to our constitution. I do not intend to speak along those lines, but rather to apply myself directly to the nature of the address itself and to the amendment to the British North America Act which is being proposed.

The purpose of the motion is to permit survivor and disability benefits to be included in the pension legislation which the government has proposed. I cannot quarrel with this purpose. In fact, when I made a critical analysis of the plan during the throne speech debate this was one of the major matters I discussed, and in the past other hon. members have spoken of some of the shortcomings in the Canada pension plan. Therefore, in principle I am in agreement with the need for an amendment to permit survivor and disability benefits to be included.

However, the mere fact that this proposal is now before the house puts very severe doubt on the sincerity of certain members of the government and certain other members in stating that there were survivorship benefits in the former plan. Time and again we raised the criticism that there were no survivor benefits but government speakers rose to say that there were.

The first thing I would point out is that the title of Bill C-75 describes the bill as "an act to establish a comprehensive program of old age pensions in Canada payable to contributors and survivors." To say the least I think that was misleading, because it was well known there were no survivorship benefits for people who did not come within the old age category.

I would also like to refer to the remarks of the parliamentary secretary to the Minister of National Health and Welfare, recorded at page 449 of *Hansard* for March 2, in which he stated there were survivorship benefits. I do not intend to belabour this point but I think this is an appropriate time to draw these remarks to the attention of the house. The hon. member said:

> Thus there are benefits for survivors under the Canada pension plan.

A little further down the right hand column he said:

> Surely these facts, which are on record, completely debunk any suggestion that there is no survivor benefit under this plan.

I believe, Mr. Speaker that in the anxiety of the government to sell what was obviously a deficient plan to the people of Canada its members were insincere, and I would go so far as to say were misleading the general public.

Mr. Munro: On a point of privilege, the hon. member referred to my speech when I said there were survivorship benefits under the Canada pension plan. I would point out I went into a little further detail than he has mentioned. Surely, before he makes accusations of insincerity, he must have studied the plans and white papers which showed there were always aging survivor benefits under the Canada pension plan. This was always so, and I am sure the hon. member was aware of it. There was never any doubt that a constitutional amendment would be required for survivorship benefits to people who were not aged; I think the hon. member should be more careful when casting slurs on people's characters.

Mr. Deputy Speaker: To my mind there is no point of order in what the hon. member for Hamilton East has said. He is simply debating the issue, and he will have an opportunity later to rectify any statements made.

Mr. Munro: On the point of privilege, Mr. Speaker, I think the hon. member was not observing the rules of propriety when he said there was insincerity. He is very well aware of what I was referring to when I mentioned survivorship benefits.

Mr. Aiken: May I say, Mr. Speaker, if it had not been unparliamentary, the expression I used would have been much more severe. The term "insincerity" was the least offensive word I could think of using under the circumstances. In fact the hon. member has proven the very point I was trying to make. The government was trying to tell the people of Canada that there were survivorship benefits in this plan when in fact there were no benefits for anyone under the old age criterion of 65 years, and to read that into the bill was not a proper approach.

I do not withdraw my remarks. The government attempted to sell this plan across the country, stating there were survivorship benefits in it. Various people wrote to me saying "You say there are no survivorship benefits and the government says there are. Which is right"? I am merely trying to point out that there were no survivorship benefits, that this was an incomplete plan, and that now we are coming to the truth of the matter.

I want to direct my next remarks to the hon. gentleman from Winnipeg North Centre who sits to my left. I see he is in the house. I would think he also finds himself in a difficult position in this situation, because during the course of the debate on the original plan the hon. member for Winnipeg North Centre rose in the house on several occasions—and I have the quotations here—and told those who would listen to him or read his remarks that this was a wonderful plan, that we must get along with it and have it approved. I do not doubt his sincerity in thinking so, but surely he was wrong. He now finds the government has pulled the rug from under him by saying, in effect, "This great plan you were so proud of a couple of months ago really was not any good; we are having to bring in these amendments to the constitution".

Mr. Knowles: Would the hon. member permit a question? Would he not like to quote accurately what I said, which was to the effect that I thought the other plans were good but that the new one is better? What is wrong with an improvement?

Mr. Aiken: Unfortunately we did not have a statement of that sort at the time. If the hon. member wishes me to quote him, I will quote the concluding sentence of his speech as it appears on page 1186 of *Hansard*, the second paragraph:

> As far as the Canada pension plan itself is concerned, the principle is good and it is our responsibility to the Canadian people to try to get it into effect at the earliest possible date.
>
> [Mr. Munro.]

Mr. Knowles: Hear, hear.

Mr. Aiken: I say that the principle was not good. The principle was bad. The principle was to proceed with the Canada pension plan without any survivors or disability benefits. That was a matter of principle.

Mr. Francis: The hon. member says there was no provision for survivors benefits. I ask him whether provision was not made for dependant widows, who are of course survivors.

Mr. Aiken: If it were so good, what are we doing today?

Mr. Knowles: We are improving it. What is wrong with that?

Mr. Aiken: I merely say that the hon. member for Winnipeg North Centre must find himself in an embarrassing position, and I will leave it at that. I think the government has left him holding a big empty bag.

Mr. Knowles: May it not be because of the criticisms made from this side of the house that the government was put in the position of having to improve its own legislation?

Mr. Aiken: I did not hear any criticism coming from the hon. member. I heard nothing but praise.

Having battered about a little, I should like now to get down to the meat of my speech, because I think there are some serious discrepancies in the plan. I think it is right to say that amendments should have been made in the first place. I believe that we are proceeding now in the right direction. The question I wish to raise is this; whether all the loose ends of the plan can be pulled together to make a cohesive and successful national plan. My fear, and it is a real one, is that with the various new starts, changes and alterations, white papers and bills which are now lying around, these innumerable letters and votes that I tried to pull together myself in my limited way in order to find out whether they had any connection with the Canada pension plan—and I am afraid I was just unable to do so—

Mr. Munro: That is obvious.

Mr. Aiken: The hon. member for Hamilton East is trying to get his own back. He can make a little speech of his own, perhaps, and I hope it is better than the last one he made.

The first thing I should like to do is to look at the physical condition of the plan, by which I mean the papers.

[*Translation*]

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

Are we discussing the pension plan or the amendment to the constitution?

If we are discussing the amendment to the constitution, I would ask the hon. member to stop talking about the pension plan, and if we have a right to speak about that, please let us know.

[*Text*]

Mr. Aiken: If I may be so bold as to say so, I feel I am speaking to the question before the house. The point which the hon. member's leader raised had nothing to do with the amendment; it concerned the general question of what we should do about amending the constitution. That is not what we are discussing at all. We are discussing an application to the United Kingdom to amend section 94A with reference to survivors and disability pensions. In fact I think I am the first speaker who has been on the point.

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Marcoux: May I also point out to the hon. member that, to my knowledge, my leader has never talked about any amendment to the constitution.

[*Text*]

Mr. Moreau: Would the hon. member permit a question?

Mr. Deputy Speaker: Before the hon. member asks his question, I should like to say that looking at the matter before the house at the moment and reading the marginal note, I would think the essence of this matter is legislation respecting old age pensions and supplementary benefits. So I would think that as long as members talk about old age pensions and supplementary benefits they are in order.

Mr. Aiken: May I tell the hon. member for York-Scarborough that I only have about 12 minutes left before one o'clock and I should like to finish my speech before that time. If he would withhold his question, he might be fortunate enough to have a member of his own party begin after the noon adjournment. I am trying to set out the approach I take to this amendment and the reasons we should, or should not, apply for it.

I should like to consider the bits and pieces of this plan which are now before us. The first is Bill No. C-75, which is on the order paper. I am sure this will have to be withdrawn and a new one presented, because the form of the plan has been radically changed. The second is the resolution on the order paper to set up a committee. It is not properly worded to suit the new plan, and I assume it will have to be withdrawn, or amended, or that some other action will have to be taken. In any case it does give the government the chance to proceed with a reference to a committee.

I wonder whether the intentions of the government are still the same as they were before it was decided to seek these amendments. At first, perhaps, the government was anxious for the committee to bail it out of its difficulties; the Prime Minister consented to the committee having the broadest terms of reference so as to be able to make reports on questions of principle. I believe he had in mind a vague hope that the committee would throw the bill back and say "No, we must have these disability and survivors' benefits". Now that the course has changed, I wonder whether the government still wishes the committee to have such broad terms of reference. We do not know, because we are in a completely new situation.

The third difficulty arises from the innumerable exchanges of letters between the Prime Minister and the premiers of the provinces. I have examined the parliamentary records and find there are a great number of returns in connection with the Canada pension plan. There are many letters. There is sessional paper No. 202-J, filed on June 10, which is the most recent. There are others which contain copies of letters written by the Prime Minister to private individuals and to provincial premiers. There have been two white papers filed, in addition to the bill, and we wonder which of these documents and letters are applicable to the proposed new plan, which of these undertakings we can now consider to be live. In addition, I wonder what other letters, documents or statements are still outstanding, papers which no one has been wise enough to ask for, or which have not yet been made public.

I think the Canada pension plan is in a state of disarray as far as the papers are concerned. I believe the Prime Minister and the Minister of National Health and Welfare must have nightmares about the undertakings which may come back to haunt them when the plan is finally brought before the house.

Not only is the plan itself, the physical condition of the plan, in disarray; so is its

application. The first thing I would like to point out is that the provinces now have four alternatives if the present proposal is put into effect. First, they can permit the Canada pension plan to be operated by the federal government within the province. Second, the province itself can operate the Canada pension plan within the province and administer the funds and the plan. Third, the province can operate its own plan on a basis that would make it portable with the Canada pension plan; that is, making its minimum provisions approximately the same so that a person may go from province to province and have some portability of pension. Finally, a province can ignore the Canada pension plan and operate completely outside it.

This latter point is confirmed, mainly in principle, by the vote we had this morning on the amendment. I do not wish to say anything more about that, but the fact is that even the amendment for which we are asking does not exclude a province either now or in the future from bringing in its own plan having no relationship whatsoever to the Canada pension plan.

This is the ludicrous position the Canada pension plan is now in. There are four alternatives for the provinces to adopt. Which one, or which combinations of plans, will each of the provinces adopt? I would hope —and I am not saying these things for the purpose of causing trouble—that when this is all sorted out the provinces can be persuaded to implement something which will constitute a national plan. But certainly, Mr. Speaker, there is nothing of that type in evidence now.

Just to illustrate my point let me say this. Having got Quebec into this whole deal, Quebec is now out. The plan that Quebec proposed has been, in substance, accepted by the federal government, although I know that in the provincial legislature there is some difference of opinion between Mr. Lesage and Mr. Johnson. Mr. Lesage says that Ottawa followed his plan and Mr. Johnson says that Mr. Lesage followed Ottawa's plan. Regardless of which of these allegations may be true, there is still some time in which to consider these two plans. We have to ascertain whether the Quebec plan will be portable with the plans which other provinces now have in readiness. I think particularly of Ontario, and of the province of Saskatchewan. Will these plans be portable?

[Mr. Aiken.]

Then what about private plans, Mr. Speaker? This is the most recent difficulty that has arisen. We have heard that the province of Quebec intends to take over the registration and control of private plans that will operate outside the Canada pension plan. I am not sure how far this will go, but it does point up the difficulty that we are going to encounter in the need to tie in private plans with the Canada pension plan. Where are these plans going to be tied in? We have no direction on this whatsoever. In addition to the four alternatives the provinces have with regard to public plans, they have just as many alternatives with regard to private plans. Ontario has in readiness a plan for portability; it should come into effect at the beginning of next year.

Mr. Munro: Mr. Speaker, perhaps I might interject on a question of privilege upon which I would like a ruling. I am sorry to make it necessary for the hon. member to continue his speech at 2.30.

Mr. Aiken: That's all right; I shall be here.

Mr. Munro: I should like to quote from the hon. member's speech as reported at page 321 of *Hansard*, the speech to which the hon. member referred, and my speech in reply. The hon. member said, as is reported in the first column on page 321:

> In the third place, wives and children of breadwinners need not wait anxiously for the implementation of the Canada pension plan. There is nothing in it for them. There are no survivorship or dependency benefits in the Canada pension plan.

Then he referred to my speech, but to only one part, unfortunately, and I should like to read where I commented on this statement that there were no survivorship benefits in the Canada pension plan. I refer to page 449 of *Hansard*, the first column, where I am reported as having said:

> The hon. member talked—I think this should be on the record—about the wives and children of breadwinners who would not be covered because there was no survivorship or dependency of benefits. I would point out that the hon. member says a man could pay into the Canada pension plan for 40 years—I think these were his words—and at age 64 neither he, his wife nor his children would receive any benefit from the plan.

I was quoting the hon. member. Then I went on:

> He is wrong when he says that. I think this can be pointed out by all the literature that has already been distributed on the plan, and these are the facts. If a contributor such as the hon. member spoke of dies at the age of 65, his widow will be able to receive at age 65 a pension of

60 per cent of the benefit he would have received. If he is over age 65 at the date of death and is receiving benefit, she will be entitled to receive 60 per cent of his benefit, provided she is over age 65. Thus there are benefits for survivors under the Canada pension plan.

When it was claimed that there were survivorship benefits under the Canada pension plan, I specifically spelled out on the record what kind they were. I did this in answer to the hon. member who was saying there were no survivorship benefits under the plan. At no time did I claim—and that is why I went into detail—that there were survivorship benefits for widows under 65. At that time there were not, because there was not a constitutional amendment.

In view of the fact that this has been explained in detail, Mr. Speaker, I think the hon. member should withdraw his remarks and should be reprimanded, because all he did was quote one blanket statement that I made without quoting in detail the explanation I gave for the purpose of the record. I was indeed accurate in what I said, and I think the hon. member was certainly out of order in saying I was insincere.

Mr. Deputy Speaker: Order. I am afraid I can only repeat what I said a moment ago, namely that I do not think there is a question of privilege here. The hon. member claims that he has been misquoted. It is his privilege to say so, but he has the opportunity to take part in the debate and try to rectify the record as he thinks it should be rectified. I certainly do not think it is unparliamentary for an hon. member to say that he suspects another hon. member of insincerity. I do not believe precedent would show that the use of this particular expression is unparliamentary. I would therefore have to rule that there is no question of privilege.

Mr. Aiken: Mr. Speaker, I wonder if I might have the privilege of calling it one o'clock, so that I may continue my remarks after the adjournment.

Some hon. Members: Agreed.

HEALTH AND WELFARE

TABLING OF FIRST REPORT OF ROYAL COMMISSION

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, as agreed, and in the name of the Prime Minister I would like to table—

Mr. Knowles: Revert to motions.

Mr. Favreau: I thought there was agreement. I ask for leave to revert to motions, Mr. Speaker.

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Favreau: In the name of the Prime Minister I now wish to table in English and in French, the report of the royal commission on health services, together with summaries in English and in French prepared by the commission.

Mr. Knowles: This is volume 1, is it?

Mr. Favreau: Yes, Mr. Speaker, this is volume 1. Volume 1 is the report and volume 2, which is to come, contains the annexes to it.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

BRITISH NORTH AMERICA ACT

ADDRESS REQUESTING AMENDMENT TO PROVIDE FOR SURVIVORS' AND DISABILITY BENEFITS

The house resumed consideration of the motion of Mr. Pearson:

That a humble address be presented to Her Majesty the Queen in the following words:

To the Queen's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the ..... Commons of Canada in parliament assembled, humbly approach Your Majesty, praying that you may graciously be pleased to cause a measure to be laid before the parliament of the United Kingdom to be expressed as follows:

An act to amend the British North America Act, 1867.

Whereas the Senate and House of Commons of Canada in parliament assembled have submitted an address to Her Majesty praying that Her Majesty may graciously be pleased to cause a measure to be laid before the parliament of the United Kingdom for the enactment of the provisions hereinafter set forth:

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present parliament assembled, and by the authority of the same, as follows:

Amendment as to legislation respecting old age pensions. 30 & 31 Vict., c. 3; 9 Eliz. II, c. 2.

1. Section ninety four A of the British North America Act, 1867 is hereby repealed and the following substituted therefor:

British North America Act

Legislation respecting old age pensions and supplementary benefits.

"94A. The parliament of Canada may make laws in relation to old age pensions and supplementary benefits, including survivors' and disability benefits irrespective of age, but no such law shall affect the operation of any law present or future of a provincial legislature in relation to any such matter."

Short title and citation.

2. This act may be cited as the British North America Act, 1964, and the British North America Acts, 1867 to 1960, and this act may be cited together as the British North America Acts, 1867 to 1964.

Mr. Aiken: Mr. Speaker, just before one o'clock I was interrupted by the hon. member for Hamilton East (Mr. Munro), who took exception to my previous statement that he had tried to give the impression that there were survivorship benefits in the former pension plan. His intervention on a question of privilege I took to be an effort to prove that he did know all the time that the previous pension plan was no good. In the result he proved the very point I was trying to make, which was that with full knowledge that the former plan was not satisfactory he nevertheless continued to give the public the general impression that the plan was wonderful.

I was discussing, Mr. Speaker, the question of private pension plans when I was interrupted. The government has dipped into matters of provincial jurisdiction to bring on the benefits of a pension plan, but they do not want the responsibility of the private pension plan problems. They just invade the provincial field far enough to create a problem in connection with private pension plans, but not to the point of giving any assistance to help solve the problem they have created. They say to the provinces: "We are bringing forward a national plan which we want you to accept, because it is beneficial". To this point the present legislation and proposals go; but having reached that point and created problems for private plans all across the country, the government stop there and say to the provinces: "Well, this question of private plans really is not our responsibility; it is yours, so you solve it the best way you can".

Just before one o'clock I stated my contention that this is not a satisfactory way of solving the problem. There are four alternatives the provinces can take in connection with the national plan. There are just as many or even more alternatives that can be taken in connection with private plans. My point is that the situation is going to be so

[Mr. Favreau.]

confused that there will not be any national plan or any uniformity in pensions across Canada.

I am seriously concerned, Mr. Speaker, about the economic effects of this whole plan. So far as a pension plan provides a vehicle for compulsory savings for retirement, I can see no objection in principle. I think it is a worthy effort to encourage, in fact to compel in some cases, people to save for their retirement years and for their future. To this extent I have no objection, and to the point to which this plan goes it is a worthy effort. But the trouble now is that this plan has gone far beyond what one would call a compulsory savings plan; it is developing into something else.

I should like to express the situation by saying that the plan now is not a pension plan but a pension deal. In other words, it is based on the result of bargains which have been struck all over the place and is not the result of a calm and considered pension plan. This is not the time to go into details, Mr. Speaker, but there are departures from the basic set-up for pensions which have gone far beyond what I believe to be suitable for a national pension plan. These changes are alarming. The escalation of benefits is much too steep for any actuarial plan, or for anything approaching an actuarial plan, to be suitable; and the new plan is making them much steeper. The widows' benefits are calculated on a double standard. They start off on a price index basis for a certain period of time, the first ten years, then they go on to a wage index and finally, when the widow becomes of pensionable age under the Old Age Security Act, they go back to a price index basis. This is a most confusing method of calculating a widow's allowance. She has no knowledge from one day to the next what the amount of her pension will be or the method by which it will be calculated in the future.

There are many other things which I do not wish to go into now. My point is that the plan is now in such a very difficult state, both from an actuarial and physical point of view, it is difficult to know whether any actuarial basis will result in the end or whether, in reality, this will become another welfare scheme. This is what many people feared in the beginning, that it might become another welfare scheme and not a compulsory savings plan. We appear now to be coming to the point where it will be a combination of both and nothing much of either.

I say, Mr. Speaker, there are too many tag ends lying around. The whole situation is very confused. We should really have another white paper so that we will know where we are, and we should have had one before this debate commenced. We had a white paper in July, 1963, setting out the Canada pension plan. We had another white paper in March, 1964, setting out another pension plan. One of my colleagues suggests that the white paper is now getting a little grey. As I pointed out in the beginning, it is difficult to know exactly where we are with this particular pension plan at this moment.

In concluding, may I say that the time is opportune for a constitutional amendment. I think we must pass it now and deal with the problem of the Canada pension plan as a secondary matter. To that extent, therefore, I support the motion before us.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I would not like to prolong this discussion, for the very simple reason that I too am anxious to go on holidays. Therefore, the less we talk, the better it is.

However, I should like to say that, in its present form, the motion may entail some difficulties for the provinces on the administrative level. When the provinces transfer their rights to the federal government, they cannot take them back later on. Here is what I mean: When the provinces gave the federal government permission to set up an old age pension scheme for instance, that legislation was put into force at once and the federal government became competent to administer any old age pension plan, which means that it can now increase at will the benefits paid to elderly people.

Therefore, it means that the central government can establish its own legislation regardless of the provinces.

If an intelligent amendment had been brought to the constitutional amendment as it appears on the order paper it would have been possible for the house to express its feelings on the matter.

However, since all the provinces have been consulted and since the government would have to seek their approval once more if the House of Commons changed anything in the resolution, I feel it would not be appropriate to move a subamendment at this time. The same situation prevails as with the Columbia river treaty; if we had changed anything to the treaty we would have had to get in touch with the other party, the United States, to get its consent.

The fact that it has to deal with ten provinces would mean longer discussions for the federal government. Now, since the provinces have accepted the amendment as proposed, I do not see why we should introduce one ourselves. However, had we presented one, it could have read something like this:

After "irrespective of age", we could have said: "But no subsequent legislation to that effect may be passed without the further consent of the provinces."

That would have meant that the federal government would now be able to legislate about the pension plan as proposed, or as accepted by the provinces, but that, if ever it wanted to amend this plan a little later on, it would have, once again, to get the provinces' permission.

However, as I said a while ago, if the provinces did not want to ask or to demand guarantees other than those they obtained when they agreed to sign, it is not up to us to defend them against their will.

[*Text*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, hon. members who have participated in this debate before me have made reference to the anomalous situation which existed when we interrupted the debate with regard to national symbols which have been proposed for this country and found ourselves faced with the very extraordinary position of having, within the terms of the motion we are now discussing, to humbly approach Her Majesty praying that she may graciously be pleased to cause a measure to be laid before parliament, and so on. Now, all hon. members who have discussed this have said how ironical it is, and I do not think it is necessary to enlarge on that except to make this point wihch I think is a necessary corollary to be drawn from what has been said.

Hon. members have said, let us hope that this situation will not again occur; let us hope that before too long we will have domiciled in Canada the constitution for which we now seek changes in the United Kingdom. I say, Mr. Speaker, that I see little prospect of that. I believe I am entitled to mention this point at this time. I see little prospect of that because of the fact that during the course of the last year there have been deep and strong currents of hostility sweeping across this land, and the very debate which we interrupted, in my opinion—I will say more about this on a more appropriate occasion, but I think I must say it here—has hardened or deepened these emotions

across our country to the point where violent emotions may yet sweep over this land and prevent the degree of unity which we must have if we are going to have the constitution returned to Canada.

I think the hon. member for Winnipeg North Centre (Mr. Knowles), in his unusual approach to this problem, indicated that a measure of unanimity would be required before we could even at the very least bring the constitution back to Canada. I say, is there any hon. member in this house who honestly believes that the situation which now exists will not be so reflected in any constitutional conference with the provinces that the prospect of obtaining unanimity has been put back for years, if not for generations? Whether we like it or not, because of this fact, it is my opinion from what I have observed and read that when we come to consider further amendments, because of what happened last year and particularly in the last few weeks we will still be going through this process of humbly asking Her Majesty to have her parliament in Westminster amend our constitution, when the need next arises. I was very glad to hear the Prime Minister say this morning, in response to a question, that this matter will be placed on the agenda for the next federal-provincial conference. However, I would point out that some time ago I asked the Minister of Justice (Mr. Favreau), who would be the member of the government most concerned, whether or not in his opinion the time was ripe to reconvene the constitutional conference of the attorneys general, about which the Leader of the Opposition (Mr. Diefenbaker) spoke, when he said that in 1960 and 1961 such great progress had been made. I think the Minister of Justice is a realisitic man and so in his answer he said not only had no date been fixed but that no formal letter had been sent out suggesting that a date be fixed. It might well be that the minister has been alerted as a result of my question, and I hope he is now sending out a letter for that purpose.

However, I do make the statement in all seriousness that the situation which has existed, which does exist and will continue to exist, in my humble opinion will make it most difficult, if not impossible for some considerable time, for us to secure the things we need; and all the brave and bold words, all the ringing terms and stirring declarations in the very fine debate on the flag question are, to my way of thinking, so much waste because of this situation.

[Mr. Baldwin.]

I generally accept the principle in this motion, but I must say I hinge a qualification, an attaching condition, that I do not think it should be assumed that because we are accepting and approving the motion for this address to be forwarded to Her Majesty, we also accept with it, as the tail of the comet, the principles of the proposed pension legislation about which we have heard from time to time from members of the government.

Reference has been made to this by the Leader of the Opposition and the hon. member for Parry Sound-Muskoka (Mr. Aiken). I am not going to say any more about it, except to suggest a very good expression is one which we used in the front lines during the last war, when the brass in the field and the brass on the staff had got together and had thoroughly messed up the situation. We used to say it was "snafu"—situation normal, all fouled up. I think this is about as good a description as the pension legislation situation is worth at this time.

But I say in approaching this motion—and there are some other qualifications—I do so on the distinct understanding that it does not indicate by any means a wholehearted approval of the pension legislation. It is my opinion that a large percentage of the people of Canada have come to the decision that some type of contributory pension plan is desirable. On the other hand, when the legislation is laid before us it will be our duty to examine it as to its reasonableness, as to the degree of contribution required, and as to whether or not it will lay a burden upon the economy of the country that the country can well bear, having in mind all its other responsibilities. These are matters upon which we must reserve our decision until the appropriate time, and in approving the motion this, with other qualifications, must be the first condition attached.

Now, let us look at the proposed amendment itself. I have some doubts as to whether, having in mind it was essential for the government to secure this constitutional amendment, it might not well have gone further and done better, and possibly saved the necessity of coming back here again. In the first place this amendment purports to repeal and replace section 94A of the British North America Act.

I call to the attention of hon. members that the position of section 94A must be of some significance. Sections 91, 92 and 93 deal with exclusive rights, given respectively to the federal and provincial governments as the case may be. However, sections

94A and 95 deal with what is in effect concurrent legislation, where both federal and provincial governments have been given rights to legislate. In section 95, as hon. members know, the provinces are given the right to legislate in respect of agriculture and immigration, and so is the federal government; but it is laid down that where there is a conflict—as necessarily there would be a conflict if you have legislation on these subjects by distinctive legislatures—the federal government legislation must prevail. This is placed immediately after section 94A, which also gives rights to both provincial and federal governments to legislate; but there the reverse is the case, and provincial legislation must be dominant.

The section as it now reads, and this particular part has been carried on in the new, proposed amendment:

> —no law made by the parliament of Canada in relation to old age pensions shall affect the operation of any law present or future of a provincial legislature in relation to old age pensions.

In order to establish a foundation for the point I propose to make I would like to refer hon. members to the amendment in its present form, which was brought forth in 1951. At that time there was an exchange of correspondence between the then minister of justice, Mr. Garson, and the provincial premiers, and the original proposition made by Mr. Garson was contained in the form of a proposed amendment quite distinct from section 94A as it now appears. It was as follows:

> Notwithstanding anything in this act, the parliament of Canada may make laws in relation to old age pensions.

And there it stopped. In other words, the original amendment as suggested was an amendment which, in the view of many of the attorneys general of the provinces and of the premiers of the provinces, expressed in the correspondence tabled in this house in 1951, gave to the federal government not necessarily exclusive but certainly paramount jurisdiction in the field of pension laws. I think it was probably wise that this should have been the case, and this is the first point I make, that I would have much preferred this amendment to have eliminated the words which appear there, that—

> —no law made by the parliament of Canada in relation to old age pensions shall affect the operation of any law present or future of a provincial legislature in relation to old age pensions.

It is my submission that by leaving this portion in as it now appears, we are putting in the hands of the provinces the right of any province at any time to veto by means of enacting legislation, which is distinct in any material respect from the federal legislation, and so prevent the federal legislation from operating in that province.

Let me give an illustration of that. I have before me a news item from the Montreal *Gazette* of June 17, 1964, dealing with when this matter was being debated in the legislature of the province of Quebec.

Mr. Johnson, the leader of the official opposition in the legislature in Quebec, is reported in this way: "Johnson Says Pension Plan Socially Bad". He is reported as giving a number of reasons which he thinks are sound why this is not good legislation and why in its present form it should not be carried out. I simply put the case in this way. If Mr. Johnson thinks that the legislation which the province of Quebec now desires, which is comparable to and parallel with the legislation and the plan of the federal government, is bad legislation, then if he should secure power in a future election in the province of Quebec he will repeal or amend it. The minute he does that it will be legislation distinct in form from the legislation that the federal government has passed and consequently the federal plan will no longer be operative.

I think this can apply in any province. Any leader of a political party seeking power in a province might, if I may use a distinguished parallel, make a promise on the election platform that within two years after being elected he will bring before the legislature a distinctive provincial plan and then upon securing power bring into effect this distinctive provincial plan whereupon the federal plan must immediately fall to the ground.

Section 94A relating to old age pensions probably did not present any particular difficulty as it stood, because under our pension legislation up to this time it has been a matter of the federal government making a payment at the age set by statute, which payment has been increased from time to time; and actually there have been no rights accruing, save possibly general legislative rights with respect to individuals in the country who reach this age. But on the basis of a contributory pension plan it is my submission that an entirely different situation will prevail. There will be contributions made form workers' salaries and by employers. Large funds will be accumulated which will be susceptible of being used for development purposes. The people living in each province will acquire distinct, specific vested rights in

contributory pension plans. Then instead of that degree of permanency which must be present to ensure the success of a contributory pension plan, the position will be that at any time a provincial government sees fit to introduce legislation of this nature which is at variance with the federal plan the provincial legislation will then prevail.

While I support this address, I should like to have seen it provided that in the event of there being any conflict between federal and provincial legislation the federal plan must prevail, and I think in due course the government will find it will have to come to this, if it can ever secure that degree of unanimity to which I referred before. Whether we like it or not, if we are going to have a sound, successful, permanent plan I suggest that we will have to bring ourselves to this position.

There is one other point I should like to make before I resume my seat. The new section 94A is to read in part as follows:

The parliament of Canada may make laws in relation to old age pensions and supplementary benefits, including survivors' and disability benefits—

I heard the Prime Minister (Mr. Pearson), the Leader of the Opposition (Mr. Diefenbaker) and others say that the law officers of the crown have indicated in the past that the use of the term "old age pensions" is sufficiently wide to include a scheme of contributory pensions. I accept that the law officers of the crown are distinguished and knowledgeable members of my profession, and I certainly do not propose to set my views up in complete opposition to theirs. But as a member of the house I must say that some doubt runs in my mind with regard to whether or not it would not have been better to have eliminated the words "old age" and substituted the word "contributory" or else use the words "old age and contributory pensions".

I look at the matter in this way. What is old age? When does old age start? At what stage of a man's or woman's life does old age begin? I see the Prime Minister smiling at that. It may be that the process of aging goes on a little more rapidly in this house than in other places. But let us assume that at some time in the future it may be desirable to reduce the age at which the contributory pensions are paid. We do not know when that will be desirable or when it will be financially feasible. We may find that from an age of 65 we will come down to 62, 60 or even less than 60. Are these pensions then old age pensions? Can they be brought under the description now appearing in section 94A, that "the parliament of Canada may make laws in relation to old age pensions"?

I submit with respect that there is very grave doubt in that regard. While we were in the process of securing a constitutional amendment I think we should have gone the whole distance and used such words as "old age and contributory pensions". It may be suggested that follows from the use of the words "old age pensions and supplementary benefits" but I think that the word "supplementary" must be related to "old age" and that the legal principle of *ejusdem generis* applies. I doubt that you can use this particular phrase to say that a pension payable at a lower age than what might be considered old age is a pension included in this legislation.

There is no doubt at all that some of the best legal minds in the country are going to be scrutinizing this constitutional amendment and examining the legislation which the government proposes to introduce. I say that if we are going to have pension legislation we should leave nothing to chance. In my thinking there are defects in this proposal. While I support the address I feel it is my duty to say that I think there are defects, and these defects will appear in the future.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I support the address which will provide for survivor benefits in the pension legislation but, as the hon. member for Parry Sound-Muskoka (Mr. Aiken) and the hon. member for Peace River (Mr. Baldwin) have said, I accept it with certain reservations. My reservations are based on the fact that the whole handling of the pension plan has been a monstrosity. I do not know of any other word to cover the situation. From the very start we have had nothing but that sort of approach to this legislation, ever since the Liberal government brought in their plan, and the same approach to most of their other legislation as well.

Let me be a little more specific. If I may go back to the legislation for a pension plan brought in by the Conservative party, the Liberals put forward strong criticism that an amendment such as is now being put forward by that party was not necessary. If you will examine the speeches you will find that one after the other they got up and said it was not necessary. They pooh-poohed the idea all along the line, but now they are

faced with the fact that they have to ask for such an amendment. That is the first point.

Let us take the history of their production of a plan. The Minister of National Health and Welfare (Miss LaMarsh) brought in a plan last year. I have no doubt that plan was approved by the whole cabinet. They obviously must have discussed it. But the plan she brought in was a mess. There is no question about that. It was so much of a mess that in line with practically all legislation it had to be completely dropped.

She brought in another plan and it was more or less dropped and, indeed, most of us—and this expresses the reservations put forward today—are wondering just how far this government has gone in getting its legislation properly prepared and looking into the future. We need only have regard to the words of my hon. friend from Peace River (Mr. Baldwin) who has just resumed his seat. He brought forward point after point and I am wondering whether this government has done anything in relation to the matters he put forward. Those questions are most germane to this subject.

My third point is this: We have almost exactly the same question before us as has arisen over the flag. The government says: This is the plan—take it or leave it. And, personally, I do not think we should be subjected to legislation in this form. The fourth point I wish to bring forward concerns the lack of consultation with the provinces, and in this regard the strong talent for diplomacy which the Prime Minister is supposed to possess in such abundance. This plan was brought forward without any consultation with the provinces whatsoever. Premier Lesage could not make a speech quickly enough and could not get to the press quickly enough, when the initial plan was put forward, to say: Count me out; I am not with this; there has been no consultation whatsoever. We also have the position taken by Premier Robarts. Premier Robarts put forward from time to time, after a certain amount of consultation, the points which he thought necessary for the plan to be successful. He got the short end of the stick. In fact the Prime Minister made some most uncomplimentary remarks with regard to the premier of that province. So we have to consider that there were two provinces which rejected the plan. In the field of diplomacy, I do not know what the Prime Minister was thinking about but it is perfectly obvious that after a short time his people told him he had better get the concurrence of those provinces, otherwise the plan as a national plan would be a flop.

We read lately in the newspapers, and it was trumpeted by various members of the Liberal party, what a tremendous diplomatic job had been done. The Prime Minister had gone to the plains of Abraham and consulted with Premier Lesage and others, and I am just wondering who won the second battle of the plains of Abraham. There is no question about it. The plan put forward by this government had to be changed so as to conform almost completely with the Quebec plan. It may be, now, that it is a good plan. It may be that this is the plan required by Canada. Certainly Premier Robarts says these are the changes which he thought were necessary to meet Canada's requirements.

We also find a little of the Prime Minister's diplomacy seeping down to the Minister of National Health and Welfare (Miss LaMarsh). She listened to certain objections which were put forward by the insurance companies of Canada. I gathered from the newspapers, from the reports which were current at one time, that the minister thought the insurance companies of Canada did not know what they were talking about. I should like to remind the hon. lady that the insurance companies of Canada have played a long and important part in the development of our economy. They have provided survivors' benefits all down the line and they might well have been listened to a little bit more and handled, I will use the word again, with diplomacy. Maybe the hon. lady does not like to hear about this, but she has to.

Once again I am in favour of seeking this amendment, because it is a necessary step to take. It was the Conservative plan, to start with. We must get concurrence. We must get this change made right away and we must get on with the establishment of these pensions, too. Once again, subject to the points I have put forward, points more ably expressed, probably, by my hon. friends from Peace River and Parry Sound-Muskoka (Mr. Aiken), I am in complete agreement with this proposal, and I believe we should get along with the legislation.

Hon. D. S. Harkness (Calgary North): I regret the way in which the proposed contributory pension legislation has been handled, and what I think have been the unnecessary difficulties which have been raised by the

government as a result of the stops and starts it has made with regard to this matter.

In addition, I have very grave doubts as to what the financial effects and implications will be, first as far as the government's own financial position is concerned and, what is more important, what the effect will be as far as the reduced amount of capital available in Canada for the starting of new industries and the general development of the country is concerned. However, I do not propose to go into these questions now. I have risen at the present moment really to ask one question. Yesterday, on the orders of the day, I asked the Prime Minister (Mr. Pearson) the following:

> Is the government proposing to take action to bring private pension plans into the same situation in the rest of Canada as Mr. Lesage apparently announced yesterday would be the case in the province of Quebec, in view of the fact that the pension plan in Quebec and the pension plan for the rest of Canada are supposed to be on an equal footing?

To which the Prime Minister replied:

> We will be discussing this matter shortly, Mr. Speaker. It is difficult for me to answer that question in detail on the orders of the day, but I will be glad to take it as notice.

Well, the Prime Minister did not say anything in his speech yesterday with reference to the position of private pension plans in the rest of Canada, and I am now asking that he deal with this matter before the debate is closed today. I think this is of particular importance because, as I understood the announcement from Quebec city yesterday, the government of Quebec proposes to bring private pension plans under its pension legislation to the extent of laying down three or four conditions which all private pension plans must meet. This is of immediate concern, I think, to all people who have an interest in private pension plans throughout the rest of Canada, particularly since this scheme proposed by the federal government is to be national in scope; so I hope the right hon. gentleman can deal with the matter.

Mr. E. Nasserden (Rosthern): I have a few remarks to make on this question. They will not be along the lines followed by the Leader of the Opposition (Mr. Diefenbaker), by the hon. member for Parry Sound-Muskoka (Mr. Aiken) or by the hon. member for Peace River (Mr. Baldwin). They deal with another aspect of this subject.

The question before us raises the whole question of national sovereignty. It portrays vividly the source and origin of our constitution. The British North America Act distinguishes Canada as a unit, a nation, a people. The B.N.A. Act outlines the guarantees and protections provided to the elements which compose that union. Upon these articles contained in the Act of Union of 1867, the one-nation concept was adopted. The necessity of proceeding to Westminster to amend our constitution is a relic of the suspicions and fears of the generation before confederation. It is the only remaining symbol to mark our immaturity as a nation. It, more than any other thing, has delayed and prevented the welding of interest which might otherwise have brought Canadians together.

It is a remarkable achievement that confederation has been able to survive under the handicap contained in this particle of immaturity. Confederation has survived. Confederation has spread from four to ten provinces and two territories. Each of the four, and each of the others, can measure the sacrifice voluntarily assumed and suffered to achieve our present status. This measure before us today reminds us all that a great mutual trust and respect is required if we are to be liberated from this relic of the past.

That is for Canadians to choose for themselves. The new Canadians, from which my family originates, have been ready and even eager for Canada to take unto herself the right to determine her own constitution. We believe it would be a step along the way to national unity and national purpose; it would complete the foundations upon which this nation could choose and develop those symbols that could rally our people in the building of this nation.

The Canada of 1964 is not the Canada of 1867. Throughout the years one thing has remained unchanged. Confederation has held a common objective for all Canadians. In the beginning divergent elements joined in a common purpose. Their decision was a deliberate one, despite their differences. They must have known that conflict might arise in an emerging nation. That much this generation owes in tribute to the spirit and tolerance of those days, as revealed by the articles of confederation. That union has admitted new loyalties, and I have the abiding courage to believe that union continues as the greatest inspiration on which people in every part of Canada have to draw on.

The concept of the one nation is, if anything, more urgent and desirable today than ever before. The nations of the world no longer can feel secure in their own separate

worlds. Why then should the cry of separatism within a nation hope to achieve anything but a lesser security and recognition by following the paths of division? The cry of the separatist is the cry of those who say, "You have nothing to lose". It is a negative cry; it is a denial of courage and purpose of the generation that chose confederation. It measures the extent to which the fires of isolation have been fed and nurtured. Confederation still beckons; the opportunities it offers return again and again, providing the opportunity for wholesome participation in the building of a greater Canada. The years have passed, since 1867, like dropping leaves, and have left a tree somewhat more naked than any of us would like to see. The history of those years cannot be rewritten; it will always be with us as a nation. Surely we can make a new beginning. That is one of the reasons I am proud to be a member of this party now constituting the official opposition in parliament. This party has not been ready to barter the heritage of Canadians. Our leader has never sought to isolate the people in any area of Canada. His hands have never reached to feed the fires of division and isolation. His invitation has always been participation, not separation. Equality within confederation requires participation. Participation yields the fruits of recognition. That is the path upon which Canadians can leave the imprint of their identity and personality. That is the emerging nation, sought and promised by confederation.

That being so, sir, I wish to take this opportunity to renew the request for a joint conference of provincial and federal government officials to study our constitution for the purpose of providing a new beginning for confederation and the elements that now comprise confederation as we know it. This party and my leader, the Leader of the Opposition, were ready to proceed along these lines when we were swept from office. I urge the present Prime Minister to unfetter himself from the tortuous course he has been embarked upon and give recognition to the positive fruits of confederation by calling together a full-fledged conference to deal with the matters of confederation. Of course, Mr. Speaker, I am in favour of this resolution as it is and I join with those others of my party in the remarks they have made regarding it.

Hon. J. W. Monteith (Perth): Mr. Speaker, I too will be brief in my remarks today, but I think I would be remiss in my duty if I did not at least express our hope and desire that this resolution will go through rapidly and get to Westminster so that permission can be granted before the dissolution of that parliament as a result of the coming election. Yesterday both the Prime Minister (Mr. Pearson) and the Leader of the Opposition (Mr. Diefenbaker) expressed deep regret and embarrassment at having at this stage to go to Westminster in order that we might provide survivor and disability benefits in our pension scheme. I also feel this way; but I think it has been and is up until now essential that this be done.

We all know that at one stage hon. Mr. Fulton when he was minister of justice did his utmost to come up with a plan to repatriate the constitution. Great efforts went into this endeavour, but they were unsuccessful. As was explained yesterday by the right hon. Leader of the Opposition, there were two stumbling blocks to that achievement, the province of Saskatchewan but primarily the province of Quebec. We remember that some time ago, as again the Leader of the Opposition pointed out, an effort was made to have a constitutional amendment put through as is now agreed to and admitted by the government to be necessary, in order to provide survivor and disability benefits. We recall the history of the many plans we have had. I think I outlined these fairly accurately on July 18 last, although since that date there has been another one. We remember the election literature of the present government, which claimed that their plan would have survivor benefits. This was not proven to be correct in their March 17 endeavour, and survivor benefits as we understand them, despite what the hon. member for Hamilton East (Mr. Munro) may say, were not included in those two previous efforts.

We are now faced with another plan. We do not have its details. We are anxious, of course, to know just whether all the details have been worked out. I suppose it will be some time before the newest plan is put before us. However, when these details are worked out, if they are all worked out, it will certainly be necessary to consider them carefully because in many respects this plan has gone beyond what was originally anticipated. We hope there will not be any further delay in this regard.

As I stated on March 17 last, we are for a pension plan, and I think my words were "there are no if's, and's and but's about it". We want to see this plan put into operation.

As a consequence, Mr. Speaker, we are heartily in accord with the passing of this resolution to enact an amendment to the British North America Act. I remember the present Secretary of State for External Affairs (Mr. Martin) when I held the portfolio of national health and welfare criticizing us to the extent of saying this amendment would not be necessary. It has proven to be necessary; the Liberals now admit that. They found it was necessary to implement their election promises even though their first two endeavours did not do so.

I am intrigued by the present plan as it unfolds. I think it was on April 20 that the Prime Minister (Mr. Pearson) first outlined in very broad terms what was going to happen to the then existing plan and what our new scheme might be. I think on April 23 the present parliamentary secretary to the Minister of Finance (Mr. Benson) spoke in Kingston and gave some further details. And then according to the Montreal *Gazette* of June 11 the Prime Minister again added more details. Therefore, we are most anxious to see what this new over-all completed plan will entail. I imagine there will be a white paper prepared on this newest and latest plan, and of course it will have to be given a great deal of study. I should simply like at this stage to reiterate, Mr. Speaker, that we have tried in the past to get this amendment through and we are certainly very anxious that it be gone ahead with at the present time.

Mr. Deputy Speaker: The hon. member for Bow River.

Some hon. Members: Oh, oh.

Mr. Eldon M. Woolliams (Bow River): Well, Mr. Speaker, I did see one or two members asleep but some of them have just awakened. I do not intend to take very much time, but I do not think that I have spoken on this amendment to our constitution on any other occasion and I should like to say a few words with regard to it. I feel today—and I think it is time somebody said this—that when we take a really cold look at our constitution, as we should do so at a time like this when asking for an amendment to the constitution in connection with survivor benefits, we realize we have wandered somewhat astray from the intention of the fathers of confederation. There was no doubt at that time when they were considering union, about which I shall have something to say in few minutes, that there was the question posed as to whether we should have a legislative union or a federal union. A legislative union, as we all know, would have put most of the powers into the central government which would have been delegated to the various provincial governments. The alternative was a division of powers in a federal system, such as that finally adopted. Then they ran into difficulty at the first conference in 1864 and at the second conference in Quebec, and a compromise was reached between Sir John A. Macdonald and Cartier on a federal union.

In a federal union certain powers are put in the central government and other powers are delegated to provincial governments. Unfortunately this federal type of system, which was, as I have said, a compromise reached between Macdonald and Cartier, has had serious repercussions. At one time when our constitution went before the Supreme Court of Canada and the judicial committee of the privy council, the interpretation given to the constitution was that it took certain powers away from the central government and strengthened the provincial government. When this system is compared with the federal system of the United States one finds that their courts interpreted the powers away from the states and made the central government stronger.

The charge I am making against the Liberal party—and here I speak for myself as a member of parliament and not as a member of any particular party—is this. It may be a passing phase of Liberalism under Pearson, which I call a wishy-washy type of Liberalism, but in order to reach certain compromises—although some people call this diplomacy—the Liberal government brought in a pension plan three times and then withdrew it. The point I am making is that if this country is to survive in confederation we have to make certain that we have a strong federal administration. We must have a strong central government at Ottawa. The kind of federalism which we have today is a balkanization of Canada which I believe was never intended. If this country is to survive we cannot have ten distinct governments dictating every time to the federal authorities. We must delegate to Ottawa some supremacy.

With regard to amending the constitution, we have just heard the last two speakers and also the speech of the Leader of the Opposition (Mr. Diefenbaker), in which he properly put forward the fact that this party realized that when dealing with survivor benefits we must have an amendment to our constitution.

We had the consent of all ten provinces except Quebec. If we are to have the kind of constitution which can only be amended with the consent of all provinces, then this puts our constitution in the middle of the political field.

Why do I say that, Mr. Speaker? Well, we happen to have in Quebec today a premier who is not sympathetic, and if it were not for the fact that he dictates his own terms to this government we would probably never be here today arguing this point. I take the position that Lesage is running the government of Canada, not the present Prime Minister or the Liberals who sit opposite.

An hon. Member: Shame.

Mr. Woolliams: Someone says shame. Of course it is a shame. It has always been a shame. But the fact is that the constitution is put in the middle of politics. Why? We would never have got an amendment in the development and evolution of our democratic principles unless we had a sympathetic government in certain provinces with federal authority. Therefore, in order to amend our constitution we have to have the same parties in certain provinces as we have in Ottawa. Surely this is not good enough, and it certainly was not the intention of the fathers of confederation, who had a greater dream than that.

The first thing to do, Mr. Speaker, and I know it has to be done in this way because there is some expediency for it, is that instead of spending days on arguing about a flag when there are so many other important things to do, particularly when there is a sensitivity in confederation, we should come to grips with the problem of amending our constitution on a sound legal basis. Surely if we are to have the contract system in order to amend our constitution, when there are ten parties to the contract it should not be the kind of contract where in law, if you wish to change it, you have to get the consent of all parties to the contract. If we have a democracy at all in this country this should be done by majority rule. For example, if nine or eight of the provinces want to amend the constitution, and it is important to Canadians that this be done—whether it be in the field of welfare or health or any other field—surely the majority of Canadians should be able to say to the government of the country or to whatever authority exists having jurisdiction over the constitution that it should be so amended. That is the first point I want to make and we should take a hard look at this problem. We are worrying about the flag and spending a lot of time debating the issue. Surely the thing we should have been considering, if we want to be an independent and great nation with all the sovereignty we dream and speak about with such great emotion, is giving the country the right to amend its own constitution, and doing so on this side of the ocean. If you read what Mr. St. Laurent said during his term of office about the various manners in which you can amend the constitution, I am sure you will find that he felt then the same as I feel at this time. It is a far more important thing that we have the ability to amend our own constitution.

I come back to the other point, that it is unfortunate we did not obtain the ability to amend our constitution when the imperial parliament passed the act in 1867 making this nation. When I am talking about the nation, I am sorry that my friend in the corner whom I call the "little Beauchesne" is not here. I am one of those people who believe that confederation was not the union of two nations; it was the union of four colonies who united at that time and who realized their destinies individually by combining to create a nation. It may have been, and indeed it was, a union of two great cultures, the French on the one hand and the English on the other. My friends opposite laugh, but they only laugh because they have never dusted off the pages of history or read the debates that took place at that time.

If they want to try to explore the real birth certificate of our nation, then they should look at the pages of history. They will find that it was the four colonies who united. The earliest meetings relating to confederation were not held in the province of Quebec or in the province of Ontario. The first meetings were held in the maritimes. The first real problem we had with confederation did not relate to Upper or Lower Canada but to the fact that Nova Scotia wished to withdraw. I do not want to take the time this afternoon to go through history to show that the birth of our nation was the result of the union of four colonies. There was just as distinctive a culture in the maritimes as there was in Quebec. There was just as distinctive a culture in Ontario as there was in Quebec. If you look at the pages of history you will see that at the time the northwest was controlled by the Hudson's Bay Company. These men had a great vision. The culture of the northwest likewise would be a part of our way of life.

British North America Act

I should like now to quote from a historian, George W. Brown. Sometimes when we get so far off the track it is best to ascertain what the real facts of history are, especially when there is this talk across the country that spreads dissension and disunity. I quote from Mr. Brown's book:

"Sir, it is my fervent aspiration and hope that some here tonight may live to see the day when the—

—one—

—flag shall proudly wave from Labrador to Vancouver island, and from Niagara to the shores of Hudson bay." So spoke the Canadian leader, George Brown, in 1858. Lord Durham and others had also dreamed of a united British American nation, but in the 1850's it was still nothing but a dream.

We only have to walk in the door of the House of Commons to find out what our history is. These words of Durham, these words of Brown, the words of Cartier and Macdonald are spelled out quite simply over the entrance as we come into this House of Commons. This is the reason I say it never was the union of two nations, it was the union of four colonies. It was the vision of these men that we would become a great nation. People came to this land from various parts of the world. They came from Europe to carve out a new destiny. Why did they come? There had been wars and fears of wars in Europe and this left in the bosom of these people hatred and animosities. When they came to Canada they set aside those animosities and those prejudices. They came to live with one another as neighbours and to build the nation, Canada.

I should like to quote again from the historian, Mr. George Brown. I ask every one of you, if you have not done so before, to take a look above the door as you enter the House of Commons. Carved in stone above the main door of the parliament buildings of Canada are these words, "The wholesome sea is at her gates, her gates both east and west." This is the situation. We are in a period of sensitivity for confederation. We are in a period of sensitivity for confederation because of the ambitions, because of the desires of a certain group who, for their own political purposes, would like to carve up this nation rather than unite. We had people of this type back in 1864 when we were trying to get together. Every time the Liberals enter the gates of office, we have a period of sensitivity for confederation. As one distinguished member said last night, they have a habit of pitting the French against the English, one religion against another. We have a sensitivity of confederation and in that period of sensitivity we must not forget one thing when we are dealing with amendments to our constitution. It is time somebody stood up in this house and said it. This nation can only last as long as we have a strong central government. Even under federalism you must have a strong central government. The Liberals are like the waves of the ocean—they roll with the tides.

During the war and after the war, they believed in centralizing everything. Today, in order to buy the votes of certain provinces in this country of ours they now say we must have a weak government. It is time we adopted the same principles in respect of our constitution that were used to carve out this land in 1867, the same principles that were followed to solve the depression of the thirties and which brought us through two wars. As I said at the beginning, we should have the right to amend our constitution on this side of the ocean.

Now, I have said something about confederation and I want to turn just for a moment to my second point. We are dealing with the pension plan. I do not suppose there is any member of parliament who would dare, for his own political health, to oppose a form of pension plan at the moment. Why is this so? Well, we have had across this nation the stories for three or four different pension plans. We have seen newspaper headlines so high about the great compromiser. He went to Quebec and met Lesage on the plains of Abraham. They embraced, but we do not know what they whispered to one another. He came back with the great compromise. He is the great diplomat. The fact is that they brought in three plans. Madam Minister, who is not in her place this afternoon, said, I stake my reputation on this plan. Now, she is looking for greener pastures, the leadership of the Liberal party in the province of Ontario. There is one thing I would say in passing, if I may digress for a moment. If she does get that job it ensures the Conservatives another 50 years in office.

Mr. Munro: I rise on a point of order, Mr. Speaker. Does it not seem unusual for the hon. member to cast aspersions on the character of another person, especially when she is not in the house? I think he would prove himself more of a man if he did so next week when the minister is here.

Mr. Woolliams: I thought that the hon. member was really serious. I read a news-

paper report in a newspaper not unfriendly to that side of the house, that here was the living dynamo, the great intellect of the Liberal party, who will one day walk in and lead the Liberals. If the hon. member had any real point of order, then what we saw on orders of the day will be nothing to what we will see in the future when he takes over a responsible position.

Coming back to my point before I was interrupted by such a frivolous interruption, may I say this: We have had three pension plans. I said at the time that they were conceived by the hon. lady in haste and delivered in confusion. We still do not know what kind of conception there was or what kind of delivery there is going to be. We do not know what the terms and the conditions of the pension plan will be. I repeat the warning that I have issued before. I know that people do not like to be reminded of what other people have said in the past. I say we are moving in Canada into a period of great inflation. This government said when they took office that they would balance the budget, but they are going to have bigger and better deficits. I would like to know, and this is what should be spelled out when we are dealing with pensions, what it is going to cost the people of Canada. How is it going to affect those planned pension schemes set up by the unions of this country, whether they be the united mine workers of America or the unions dealing with railways? How is it going to affect the teachers of this nation who have their own pension plan? How is it going to affect those people who have some ambition and initiative, who have carved out pension plans for themselves? This is something we should have laid on the line, and I hope when the government introduces its bill there will be less talk and more facts about what it is going to cost the nation in taxes.

I say the taxes of this nation must go up. They have already gone up substantially. Anyone can see this by going out into the country and watching how the administrators in the tax department, in more indirect ways, are milking the taxpayers, squeezing out the last dollar, and the dollar past the last dollar, in order to get the necessary revenue to finance the government's socialistic programs.

All of us are in favour of a pension plan, but let us make sure we know what the plan is so that when we are asked to vote on it we can adopt a plan that is reasonable and workable. Let us know what it is going to cost. It is awfully easy to go to the people when you have given them a brand new Cadillac, but it is not easy to go to the people when you are asking them to make the 33 payments.

The Liberal party seems to be building up for an election. It wants to go to the people when it has a pension plan in the box, or the drawer, but it will not tell the people it is ready to send out this tax octopus across the nation in order to pay for it.

An hon. Member: You did it.

Mr. Woolliams: I am glad you said that. I have been waiting for you to make a speech for 25 years. Mr. Speaker, I need not say I support the resolution to amend our constitution. In summary I would say once again Canada should have the right to amend its own constitution. Canada's constitution should be amended without having to get the consent of all the provinces, because this gives the right to one province to control the nation, particularly for political expediency when you have got a Liberal government.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I had no intention of taking part in this debate today, but after hearing the remarks of the hon. member for Bow River (Mr. Woolliams), I feel bound, as a French Canadian, to challenge or refute a great part of the stupid things he said this afternoon. I did not want to interrupt the hon. member by raising points of orders or questions of privilege while he was speaking, even though I would have had ample opportunity to do so.

Once again, the hon. member for Bow River, who aspires to become, sooner or later, leader of the Conservative party, has shown us in striking manner that the Conservative party in this house, now as ever, is more opposed to French Canadians and to the province of Quebec than any other party Canada has ever known or might know.

This afternoon, Mr. Speaker—

[*Text*]

Mr. Woolliams: I rise on a point of privilege.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I have no time to waste. During his speech, I did not want to bother the hon. member with interruptions and I now want to go on with my remarks—

[*Text*]

The Acting Speaker (Mr. Batten): Order. The hon. member for Bow River rises on a point of privilege.

Mr. Woolliams: I want to say now and repeat as I said a few minutes ago—and I think I am entitled to the expression of that opinion—that it was not a union of two nations but a union of four provinces, with a desire to extend it to 10 provinces. But I did say it was a union of two great cultures, the union of French and English. The record will speak for itself; but when we hear people like that, they are the kind of people breeding disunity in this nation.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I think that the kind of speech made by his leader during the flag debate a few days ago suits to perfection a man trying to bring about disunity in Canada.

The hon. member has been talking and is still talking through his hat. This afternoon we were under the impression that he thought for a while he was somebody else. He stated, and we refuse to admit that, that the province of Quebec may have been one of the provinces which formed the basis for the establishment of confederation and that, as such, it should be treated as the others, that at the time of the union of the four provinces, it was but one of the four.

The province of Quebec has never accepted and will never accept being treated as one of the ten parts of Canada or of the dominion, as part of confederation. We have contributed to the establishment of confederation. Everybody knows that at the time of the union of Upper Canada and Lower Canada, French Canadians were in majority. However, the situation has changed since then and that is why we do not want to lose our rights and be assimilated by the majority as suggested by the hon. member for Bow River.

He accused the Liberal party of working for centralization but he failed to prove that the Conservative party acted otherwise when it was in power. It had the same attitude during the five years it was in office and even before the Liberals were voted out of office in 1956 or 1957.

It is unfortunate that such speeches are made in the house. It is obvious that the Conservative party has not yet understood the mentality of the province of Quebec and that it does not care for French Canadians. The latter have learned to know the Conservatives in the past, especially their present leader.

It is not speeches such as the one that the hon. member for Bow River has just made which will strengthen Canadian unity. It is certainly not such speeches that will lead to a better understanding between the two races which served as a basis for our Canadian confederation.

We have been patient too long. We have already made too many concessions to allow ourselves, in 1964, exactly three years before the celebration of confederation, to be insulted or told that we are only one of the ten provinces of Canada—

An hon. Member: One in ten, that's all.

Mr. Rondeau: That is exactly what they were driving at. It is a good thing to have these remarks reported in *Hansard,* as it shows once and for all that the Conservative party never was the national unity party and, considering the interruptions such as those they are making at present in the house, I cannot see how we will be able to satisfy both races, the English Canadian and the French Canadian, and ensure a better understanding in Canada.

Mr. Speaker, what we do want, the hon. member for Villeneuve stated it yesterday: we do not want to take anything away from anyone.

We want to retain our rights. We were once recognized as a nation, and, today, they want to give us the status of a province, when the French Canadian nation accounts for about one third of the population of Canada as a whole.

We are told to our face in this house that we are but one out of ten provinces within confederation, that we are now but 250,000 people, when actually the province of Quebec has a population of around 6 million. They want to put us on the same footing as any other province, and then they are surprised and shocked to find that there are separatists in Quebec.

Well, Mr. Speaker, I must say that if there are at present separatists in Canada, the greatest of them all are to be found within the ranks of the Conservative party, and I refer especially to the hon. member for Bow River, who just resumed his seat.

It is pitiful that in 1964, when the Liberals, among whom the Prime Minister (Mr. Pearson) and others, are doing their best to encourage agreement and understanding, such a speech should have been made by the hon.

member for Bow River, who does all he can to propagate dissension and disagreement in Canada.

I know that it might be to the advantage of Conservatives to be able to say that there is more disunity, haggling and misunderstanding in Canada under the present Prime Minister and that the situation is worse than it ever was in our history. Well, I say that it is not so much the Prime Minister or the Leader of the Opposition (Mr. Diefenbaker) who could settle this issue; every hon. member has his part to play if we want to create better feelings.

If we are to be bullied, by those who would use the majority, the constitution, or the weaknesses of our confederation to crush us further, if we are to be refused the undeniable rights of French Canadians with regard to Canada, it will only increase the hope of seeing the province of Quebec manage its own affairs.

I realize now that the government of the province of Quebec has had this tendency for some time. We are wondering whether there would be a way to come to some agreement in this house with members who are as narrow-minded as the one we just heard this afternoon, when he expounded his views on the amendment to the constitution which the Canadian parliament would have us pass.

[*Text*]

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, it would be difficult, I think, to have a better example of how far apart two speakers can be in their viewpoints as to the make-up of this nation, some of the constitutional difficulties we face and generally the points of view represented by individuals coming from different parts of the country. Certainly I must confess that the last speaker distressed me a little by some of his comments. I wish he had been a little more specific when he talked about such things as taking away some of the French Canadian's rights, and the too many concessions that French Canada had to make to the rest of the country. If he had put forward a couple of concrete examples of where he thinks the province of Quebec has not been treated right I think he would have had a better chance of achieving some understanding in this house. In my opinion it is perhaps not so important that we know each particular complaint, but when we are now talking about a constitutional amendment to make possible the fulfilment of a pension plan we must realize just how far apart we are in Canada today, how deep seated are some of the feelings and why we need to look very closely not only at our constitutional government but also try to foresee some of the effects which this pension plan is likely to have, where it may impose the stresses and strains that go with change and what it will do to our make-up as one country.

I should like to say to my friend from Quebec that he rather surprises me when he is so indignant about the province of Quebec being called a province rather than a state, and goes on to say that Quebec was formerly regarded as a nation. I must say I had never heard this said before and I am unable to comprehend how he can seriously say that French Canada was ever regarded as a nation. Certainly it was a French colony, just as other parts of Canada were English colonies. These colonies joined together to make one nation. I wish he had explained his reference to Quebec having been formerly regarded as a nation.

With regard to Quebec's special status, certainly it has a special status with respect to its language and its religion and I am sure that the hon. member for Bow River (Mr. Woolliams) would not want to change that in any manner, shape or form. I do not think anyone who accuses the rest of Canada of trying to take away these special French rights is going to find any evidence to support his claim. With regard to whether or not Quebec is just a province, I say that each province in this country is a province with rights in its own house as guaranteed by the constitution. We as a party want to see each province have and maintain its own rights and responsibilities and we want to see that each province, as a political area, has a voice in federal affairs proportionate to its size and population. To that extent each province is different. But since each province has the same rights and obligations and is protected in the same way under the law, it is incorrect to say that any province has a different status other than in the manner I have indicated.

We are here considering an amendment to the constitution with regard to the pension plan, and anyone who looks at the proposed amendment will see that it contains the following provision:

> —no such law shall affect the operation of any law present or future of a provincial legislature in relation to any such matter.

Every member of the house is familiar with the history of pension legislation as it has been improved from time to time. We have

heard many speeches about the fact that the Conservative government made a strenuous effort to secure complete agreement among the provinces for a constitutional amendment because we did not feel it was wise to attempt to bring in a pension plan without survivor benefits. In other words, we felt if we were going to do the job it should be done right and that therefore first things should come first and we should achieve the consent of the provinces to an amendment.

The Liberals have chosen their own method of proceeding. They thought that political considerations should come first in bringing in a pension plan. They brought one in and we spent considerable time in the house on that first version. They wasted considerable time of the house with a second version. Both versions were of no help to the people of Canada. They simply gave the Liberals a great opportunity for propaganda so that they could say what valiant efforts they were making to bring in a pension plan and so that they could point a finger at others and say: See, they did not do what we can do. They were perfectly right; what they did we did not do. We did not play politics, and they certainly proved they know how to do it.

Those of us who do not have short memories will recall that it was only because the province of Quebec brought out a formula which they sold to the Liberal government that it was possible to avoid a head-on clash and having a so-called pension plan under which provinces would have the power to opt out. Indeed, it looked like we were going to have a so-called Canada pension plan with the two largest provinces out of it altogether.

I bring this up so that we may realize the importance of having agreement, especially with our largest provinces, and so that we may properly settle the background against which we must look at the resolution now before us. In my view, far too little attention has been paid to the fact that with the proposed pension plan, once it starts to work and we get built up in the various provinces large investment funds, there is going to be a great deal of difficulty unless there is some uniformity of investment, some uniformity of agreement among the provinces as to the manner in which these funds can be handled. There is going to be a great deal of difficulty between the federal government and the provinces as to who is going to control them and how much control each is going to have. But I ask the house to consider for one moment the fact that we have different types of government in many of our provinces, that the governments are Liberal, Conservative and Social Credit in the two western provinces, and that the types of leaders of each of these governments in the provinces vary very widely, from some very conservative people, with a small "c" to some who are, I would think, radical.

We know for instance in the province of British Columbia which, in name at least, has a Social Credit government, that the premier of the province has done such things as nationalize a power company, and some of his views on the duties and scope of government intereference with private enterprise come as a little surprising. Frankly, I am never amazed at how widely his views may range in what I call a political sense, all the way from the far left to the far right, and I suggest that with this range of possibility of government action on investment funds there is going to be a tremendous impact on potential investors in Canada—and I am speaking generally. Certainly, no businessman is going to invest his money in an industry in some of the provinces where he has to look seriously at a huge investment fund built up by that province, where the province has not only control over the fund but the ability to direct that fund into a competing business, as well as the ability to make laws and regulations which might cripple him in competition with a government enterprise. This is going to slow down the possibility of investment in Canada. It is going to make this nation almost as risky as some of the, shall I say, unstable Latin American republics. These, I suggest, are not fanciful thoughts at all. The possibility of large government investment funds, coupled with the type of government administration which can become indiscreet from time to time is going to have an effect not just on those industries upon which the government puts its fingers but on every type of investment that might be made in that province, and is something at which all of us should take a long and serious look.

Anyone who has read what the Canadian and British Insurance Companies Act provides for regulation of investment of trust funds built up for insurance policies would be aware of the extreme care we take to make sure that those funds cannot be dissipated. We also very carefully regulate, by regulations which were just recently amended, the types of investment. We take a very close look, when they want to amend that act, at the impact on the demand for capital of each of the

various deals in which insurance companies are likely to invest their money. Therefore I say when we are going to contemplate here even vaster sums of money, where there is apparently not at the moment any regulation made by us, where there is very little hope, it seems, that the federal government will be having any control over these investments in a regular pattern, where we have such a wild range and diversity of provinces and have some conception of their different ideas and how wide ranging their regulations for applying those funds may be, we can see the divisive forces which can come about once these funds get going, forces which are really going to wreck this nation. Since we have been able to do so little about our present difficulties in this regard and since we see those difficulties so bitterly expressed as they are today, it is time we gave a little more planning and proceeded more cautiously in putting into force this pension plan no matter how much we may want to see it implemented.

Mr. Churchill: I should just like to say that we have other speakers who are interested in the subject but they are prepared, now, for the measure to be passed. If there is time remaining later today, without other legislation intervening, we are prepared to go ahead with the act respecting the Roosevelt-Campobello international park.

The Acting Speaker (Mr. Batten): Is the house ready for the question?

Some hon. Members: Aye.

Motion (Mr. Pearson) agreed to.

MOTION REQUESTING CONCURRENCE OF THE SENATE IN ADDRESS

Right Hon. L. B. Pearson moved:

That the said address be endorsed and a message sent to the Senate informing Their Honours that the House of Commons has passed the said address and requesting Their Honours to unite with this house in the same by inserting therein the words "Senate and".

Motion agreed to.

[*Later:*]

MOTION CONCURRING IN ADDRESS OF THE SENATE TO TRANSMIT

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, by leave of the house I move, seconded by Mr. McIlraith:

That this house do concur in the address of the Senate to His Excellency the Governor General, respectfully requesting that His Excellency may be pleased to transmit the joint address to Her Most Excellent Majesty the Queen;

That the words "and Commons" be inserted in the said address from the Senate; and

That a message be sent to the Senate informing Their Honours that this house does unite with the Senate in the said address.

Some hon. Members: Agreed.

Motion agreed to.

CANADIAN BROADCASTING CORPORATION

INQUIRIES AS TO FILM RESPECTING PRIME MINISTER—SPEAKER'S RULING

Mr. Speaker: I wonder whether hon. members would bear with me if I interrupt the proceedings. I have a duty to perform and I hope it will end in a pleasant way.

Again, it is my duty and obligation to give a definite ruling on certain incidents which took place in the house this morning. This decision could well have been made at the time were it not that such heat had been engendered that it did seem preferable to allow a cooling-off period to elapse so as to permit hon. members to look at things rationally.

As the events to which I refer are still fresh in the minds of each and every one of us, I will not go over them again. However, following an answer from the Prime Minister tne hon. member for Qu'Appelle stated:

On the basis of the evidence we have, I say that it is not the complete truth.

The Prime Minister objected to the words of the hon. member for Qu'Appelle and asked the Chair to decide that the hon. member should withdraw the words to the effect that he, the Prime Minister, had not stated the complete truth. At this point, and later on during the debate which followed, in other words twice during the debate, and relying on Beauchesne's fourth edition, citation 145 which states—

—it has been formally ruled by Speakers in Canadian Commons that a statement by an honourable member respecting himself and peculiarly within his own knowledge must be accepted—

—I did then, rightly or wrongly, make a decision that the hon. member for Qu'Appelle should withdraw the words he had used and accept the word of the Prime Minister. The actual words I used are as follows:

Therefore, in the circumstances, and in view of the discussion, I would respectfully ask the hon. member for Qu'Appelle to withdraw.

That, evidently, was a decision of the Chair which leads to two conclusions, and they are

as follows. The first conclusion is to be found in Beauchesne's fourth edition, citation 69 and it is:

> The Speaker exceeds his authority, if, without having been specially instructed by the house, he takes upon himself to alter any of his rulings which, once given, are under the exclusive control of the house.

The second conclusion follows from the same citation and it is that a Speaker's ruling, once given, belongs to the house which, under standing order 12, is free to reject it.

Also in the same citation it is mentioned that when a member has risen and announced that he appeals from a ruling, no argument should be brought forward to influence the vote about to be given by the house. For the information of the house I wish to refer to Beauchesne's fourth edition, citation 133, which reads in part as follows:

> When the Speaker takes notice of any expression as personal and disorderly, and tending to introduce heat and confusion, and calls upon the offending member to explain, it is the duty of the latter immediately to explain or retract the offensive expressions...The Speaker's demand usually produces the required explanation, at once; if not, the Speaker then repeats the call for explanation, and informs the member, that if he does not immediately respond to it, it will become the duty of the Chair to name him to the house...

Then the first lines of citation 134, paragraph 1, are as follows:

> In case a member persists in using unparliamentary language, the Speaker will be compelled to name him, which is equivalent to submitting his conduct to the judgment of the house.

Finally there is a last quotation which I would like to refer to, and it is the first lines of paragraph 2 of citation 55 of Beauchesne's fourth edition, which read:

> The rulings of the Speaker or chairman must always be respected even though the member against whom they are given may find them arbitrary. If he declines to bow-down and does not appeal to the house he inevitably places himself in the position of having infringed upon the rules of parliamentary practice.

Having stated what the parliamentary practice is and has been throughout the years, I would again ask the hon. member to accept the Prime Minister's word and to withdraw; otherwise the matter will be out of my hands and I will ask the house itself to come to a decision.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, this morning, without any heat in my heart or mind I put myself in your hands. Based on the facts before me at that time, I felt I was correct in making the statement that I did make, and I am afraid I still feel so. Therefore I am still in Your Honour's hands for any action that you consider necessary.

[Mr. Speaker.]

Mr. Speaker: This is a most unpleasant duty, but it is part of my job—

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, may I say a word on this matter. The hon. gentleman who has just spoken has said that he feels exactly as he did this morning when he made the statement to which you have referred, in which he stated, for the third time, that I had attempted to mislead the house in answer to a question. I took exception to these words, because it was the use of the words "attempted to mislead" which made it a specific and deliberate attempt on my part to mislead the house. I said that was not the case and I appealed to you for a ruling, and Your Honour has given a ruling that the hon. gentleman does not accept.

I hope we can avoid taking any action in this matter by agreement, because it certainly reflects on a ruling of the Chair when a matter of this kind requires that type of action. I know perfectly well that when the hon. gentleman asked his first question it was not addressed to me; it was addressed to the President of the Privy Council (Mr. McIlraith), and in looking at the *Hansard* report I realize now that I should not have intervened at that time and should have waited until a question was addressed to me. To that extent I admit that I was quite wrong and I apologize to the house for that.

But the hon. gentleman made the statement that I had for the third time attempted to mislead the house—and there can be no attempt that is not deliberate. If he had just said I had misled the house it might have been, as was pointed out this morning, an unwitting and unconscious misleading of the house; but an attempt to mislead the house is deliberate. Therefore I had no alternative, as a member of the house, and only in that capacity as a member of the house who should be treated as any other member of the house, no better or no worse, but to take exception to the statement that I had three times attempted to mislead the house in answer to a question. Only in that capacity as a member of the house did I take exception to the statement. But I do express to my hon. friend my regret for having intervened at that time in his question to the President of the Privy Council, which I should not have done.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, if discussion is going to be allowed, discussion will take place. The Prime Minister (Mr. Pearson) is endeavouring to back away from the position he took this morning.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I want to point this out, that the Prime Minister spoke in the same terms regarding words that I spoke in this house, and I did not ask for a withdrawal and you, Mr. Speaker, did not exercise the right of requiring him to withdraw those statements. I have never asked for withdrawals in this house, and I will not. He made the identical charge against me—

An hon. Member: Worse.

Mr. Diefenbaker: —that this afternoon he holds the hon. member for Qu'Appelle (Mr. Hamilton) responsible for, and demands that action be taken by the house. I remember the 25th of May, 1956; similar circumstances took place then—and in 1957 the people spoke.

Mr. Habel: Eight years ago.

Mr. Speaker: May I once more ask the hon. member for Qu'Appelle if he would accept my ruling and withdraw his words.

Mr. Hamilton: I regret, Mr. Speaker, that the remarks of the Prime Minister, after your statement here today, simply convince me that my actions this morning were sound and correct.

Mr. Speaker: Mr. Hamilton, with the greatest regret I have to name you for disregarding the authority of the Chair.

And the hon. member for Qu'Appelle (Mr. Hamilton) having withdrawn from the chamber.

Mr. Horner (Acadia): There is a man who did so much for Canada.

Mr. Diefenbaker: That is the reason they are annoyed with him.

Mr. Horner (Acadia): He did so much. Now you are happy.

Some hon. Members: Shame.

Mr. Speaker: Orders of the day.

Mr. Diefenbaker: Mr. Speaker, is it not now in keeping with the proceedings and procedures of this house for the Prime Minister or someone on that side of the chamber to move accordingly, now that the hon. member has left? Let the government now continue its action by the appropriate motion.

Mr. Speaker: The hon. member has left the house, and I would assume it is for the balance of the sitting day.

Mr. Diefenbaker: Nobody said anything. There is no motion.

Mr. Speaker: I have no authority myself to go beyond what I have done so far.

Mr. Diefenbaker: The government is required to act now in order to confirm this procedure, and I am simply asking them to do the rest of their job.

Mr. Horner (Acadia): They know they are guilty.

Mr. Pearson: Mr. Speaker, you will perhaps recall that a similar situation arose in respect of a member of the Social Credit group, and he withdrew from the house in the same circumstances as have occurred today. That was the action taken.

Mr. Churchill (Winnipeg South Centre): Then, Mr. Speaker, may I ask if the member may be immediately recalled? I will bring him right back.

Mr. Diefenbaker: The government is going to do the job they set out to do.

Mr. Horner (Acadia): It just proves that they admit they are guilty.

Mr. Diefenbaker: There is a regular procedure for this, Mr. Speaker. The hon. member withdrew. Therefore he is waiting for the action of the house, and the government is required now to act. We intend to vote against that action.

Some hon. Members: Hear, hear.

Mr. Pearson: Mr. Speaker, the right hon. gentleman has done his best to bring the Chair into disrepute. Therefore, we have no alternative, at the suggestion of the Leader of the Opposition, but to—

Mr. Diefenbaker: Mr. Speaker, on a question of privilege. The right hon. gentleman has said I have endeavoured to bring the Chair into disrepute. It is the government that is in disrepute. I ask, sir, your ruling on this. The Prime Minister cannot ascribe motives to others, and he is endeavouring to place on your shoulders the responsibility for his picayune action.

Mr. Pearson: Mr. Speaker, the refusal of a member of this house to accept your ruling in such a serious matter brings the Chair into disrepute; there could be no other result. When a ruling has been made by the Speaker and the Speaker has taken three or four

hours to think over the matter and has confirmed his ruling, and has asked for the co-operation of the member and of other members of the house in accepting his ruling, when his ruling is rejected by the hon. member concerned, and when the hon. member then of his own volition leaves the house, and when the Leader of the Opposition insists that the formality be completed by a motion to eject the member from the house, then I suggest that once again reflection is cast upon the Chair.

Mr. Diefenbaker: Mr. Speaker, black Fridays there have been before. There was one on May 26 and another in June, 1956. I ask the Prime Minister to withdraw the suggestion that, in asking, as it is the right of any hon. member in this house to do, that the proprieties be carried out, I am bringing the Chair into disrepute. I ask the Prime Minister to withdraw that statement unequivocally; and if the rules are to be equally applied Your Honour must call upon him to withdraw that suggestion.

Mr. Pearson: If there is any imputation on the motives of the right hon. gentleman I withdraw it unequivocally, and I hope my hon. friend will do the same with his statement.

Mr. Horner (Acadia): You are not on the plains of Abraham now.

Mr. Marcoux: Mr. Speaker, if one looks at Beauchesne's fourth edition, citation 134, which is to be found on pages 117 and 118, he reads:

> In case a member persists in using unparliamentary language, the Speaker will be compelled to name him, which is equivalent to submitting his conduct to the judgment of the house. The member should then explain and withdraw, and it will be for the house to consider what course to follow in reference to him. If the explanation is deemed sufficient, some member will move that it be accepted. In case the offending member does not explain and persists in remaining in the house, a motion shall forthwith be made, preferably by the leader of the house, that Mr. ... member for... be suspended for... days from the service of the house".

I submit that this procedure should be followed.

Mr. Pearson: Mr. Speaker, you will recall that in November 1962, I think it was, when the hon. member for Bellechasse found himself in the same situation as the hon. member for Qu'Appelle, the government of that day made no motion and the hon. member was allowed to withdraw.

[Mr. Pearson.]

Mr. Speaker: In the present case I would point out that the important words are:

> In case the offending member does not explain and persists in remaining in the house, a motion shall forthwith be made...

In this case the hon. member withdrew.

Mr. Horner (Acadia): He has not withdrawn; he is still in the house.

Mr. Speaker: And subsequently he came back. The Chair can only go so far. I believe I have taken as many steps as I can at this stage. It will be for an hon. member to make a motion, if a motion is in order.

Mr. Favreau: Mr. Speaker, at the request of the Leader of the Opposition—

Some hon. Members: Oh, oh.

Mr. Favreau: Oh yes.

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: Order, please. This is one matter I can handle. If the hon. member is to make a motion he will have to take the responsibility for that motion.

Some hon. Members: Hear, hear.

Mr. Muir (Cape Breton North and Victoria): What a Minister of Justice.

Mr. Favreau: Mr. Speaker, I take full responsibility and I agree to that request. I move, seconded by the President of the Privy Council—

Mr. Diefenbaker: The silent man.

Mr. McIlraith: I put you in your place.

Mr. Favreau:

> That the hon. member for Qu'Appelle be suspended from the service of the house for the remainder of today's sitting.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion?

All those in favour please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members.

Mr. Speaker put the question as follows:

> Mr. Favreau, seconded by Mr. McIlraith, moves that the hon. member for Qu'Appelle be suspended from the service of the house for the remainder of this day's sitting.

The house divided on the motion which was agreed to on the following division:

YEAS

Messrs:

Armstrong	Macaluso
Badanai	Macdonald
Barnett	MacEachen
Beaulé	Mackasey
Berger	McIlraith
Blouin	McMillan
Boutin	McWilliam
Brown	Marcoux
Cardin	Mather
Caron	Matheson
Carter	Matte
Cashin	Mitchell
Choquette	Moreau
Côté (Longueuil)	Munro
Cowan	Nicholson
Crossman	O'Keefe
Deachman	Olson
Deschatelets	Otto
Drouin	Pepin
Drury	Perron
Ethier	Pickersgill
Favreau	Pilon
Forest	Prittie
Francis	Prud'homme
Gordon	Regan
Gray	Robichaud
Greene	Rock
Grégoire	Rondeau
Habel	Stewart
Hahn	Tardif
Herridge	Temple
Jewett, Miss	Thompson
Knowles	Tremblay
Konantz, Mrs.	Tucker
Lamontagne	Walker
Laverdière	Webster
Leboe	Winch—75.
Lloyd	

NAYS

Messrs:

Aiken	Monteith
Baldwin	More
Bell	Muir (Cape Breton
Cadieu (Meadow Lake)	North and Victoria)
Cantelon	Muir (Lisgar)
Cardiff	Nasserden
Churchill	Nowlan
Clancy	Nugent
Cooper	Ormiston
Crouse	Pascoe
Danforth	Pugh
Diefenbaker	Rapp
Doucett	Rhéaume
Fane	Ricard
Fisher	Rynard
Forbes	Simpson
Gundlock	Slogan
Horner (Acadia)	Southam
Horner (The Battlefords)	Stefanson
MacEwan	Stenson
MacLean (Queens)	Watson (Assiniboia)
Macquarrie	Webb
MacRae	Weichel
McBain	Winkler
McIntosh	Woolliams—50.
Mandziuk	

Mr. Speaker: I declare the motion carried.

Mr. Groos: Mr. Speaker, I was paired. Had I not been paired I should have voted for the motion.

Mr. Alkenbrack: Mr. Speaker, I was paired with the hon. member for Halton (Mr. Harley). Had I voted I would have voted against the motion to expel the hon. member for Qu'Appelle (Mr. Hamilton).

Mr. Speaker: It being five o'clock p.m., the house will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills, private bills.

BROADCASTING ACT

AMENDMENT PROVIDING CONTROL OVER COMMUNITY ANTENNA

Mr. D. M. Fisher (Port Arthur) moved the second reading of Bill No. C-40, to amend the Broadcasting Act (community antenna).

He said: Mr. Speaker, I would have had hopes of withdrawing this bill from the order paper if the government had shown a little more alacrity in facing up to the problem created by community antenna television systems. Some hon. members may recall that on the first of January the Minister of Transport (Mr. Pickersgill) issued a statement that serious consideration was being given to doing something about this matter. We have had a number of partial statements since and the difficulty still exists. In the time I have I want to put on the record what I think are the two major problems involved in community antenna television systems, and since I have changed my own attitude with regard to one of them I want to be quite clear as to what these two potentials are that are involved in the bill and which I think are essential, whatever action the government takes.

The first question, and the one where I still believe we must have this kind of legislation, relates to the threat to free t.v. or to advertising revenue supported television going into homes that is in prospect as the result of the development of wired systems, and the potential that exists in using them as a network. I think this is a very real threat and it has to be met by the broadcasting authorities, in this case the government agencies.

The second problem, and the one on which I have changed my attitude, really relates to the inroads that C.A.T.V. is making upon the commercial prospects of Canadian stations, particularly in minor markets where C.A.T.V.

brings in a number of American channels and so tends to build a trend whereby the listening audience, the number of homes with television sets that are tuned or can be tuned to the local station and so to the local market, is reduced, and so offers a potential threat to advertising revenue and therefore to the commercial viability of these local stations. The reason I have changed my views in this regard relates partly to a straight recognition of the fact that more than 60 per cent of the television homes in Canada now have, through wired systems and through just sheer closeness to American stations, the ability to have both Canadian and American channels come into their homes. It does not seem to me that at this late date, with 60 per cent of the homes open to this kind of television fare, that we can have the kind of regulation and control based upon some control of the Canadian content, that is, in terms of television stations coming into the community, that might have been envisaged a couple of years ago.

In order to put this matter into what I think is a North American perspective I should like to read from an article that appeared in the New York *Times* on the 5th of April, 1964. It is headed, "Neighbourly Lines" and it is by a well known authority on television in the United States, Jack Gould. It reads in part as follows:

Nearly one million American families pay a monthly charge to see television and the number could rise with the mushrooming growth of a branch of t.v. probably unknown to the vast majority of viewers.

The relatively novel form of video is known as community antenna television. Originally it was designed as a service for families living in areas where it was difficult or impossible to pick up a station.

But with the technical restlessness characteristic of the electronic business, new applications are being found for community t.v., and there are some who suggest it may prove to be the back door by which pay as you see television might come into being.

Moreover, community t.v. also has been in the headlines because of its potential importance in Austin, Tex., where the system promises to break the local television program monopoly enjoyed for over a decade by station KTBC-TV. KTBC-TV is one of the broadcasting interests of Mrs. Lyndon B. Johnson...

The simplest explanation of community antenna television can be found in the case of a town which is situated deep in a valley with high mountains blocking reception of pictures from distant t.v. stations.

A huge master antenna is erected atop the mountain. Then the pictures from several t.v. stations and the sound from radio stations are sent down the mountainside on wires to a terminal point. From such a terminal more wires fan out to homes throughout the valley, carrying qualitative pictures and sound into a subscriber's parlour.

The charge for being connected to the community system can vary from 75 cents to $5 a month.

I have known cases in Canada where the charge is as high as $10 a month.

The income goes only to the system operator, not to stations providing its raw material.

At present there are about 1,300 such community systems in 46 states and their construction has become more sophisticated. By use of one or more relay towers between an isolated locale and a t.v. station, it is technically feasible to span almost any distance.

The broadcast industry's eyes really went up when J. Leonard Reinsch, president of the Cox Broadcasting Corporation, announced that he would like to pipe the programs of stations WPIX and WOR in New York halfway across Pennsylvania to the community antenna systems for Tyrone and Chambersburg. The Cox firm also is contemplating the relay of Chicago stations to community systems in Ohio.

I introduce this particular section, which may seem irrelevant, to make a comparison with an application by one community antenna television group to pipe programs all the way from Duluth up to the Winnipeg area, a very great distance, by use of satellite relays.

If, by chance, community systems between New York and Chicago should be linked up, something a prominent Pennsylvania broadcaster...fears, there could be the first primitive system of network pay t.v.

The basis for such intriguing speculation is the technical feasibility of using the community t.v. systems as a straight pay as you see t.v. method. In a few instances community antenna operators have done a little of their own programming and some systems have carried sports events blacked out on advertising-sponsored t.v.

I have mentioned this because, at the lakehead, the community antenna television system carried a fight broadcast which was blacked out on free television. I have spoken to Mr. Bassett of the Toronto Maple Leafs about the attitude of that particular firm or company and the national hockey league with regard to this question of major sports events and the likelihood of their disappearing from free t.v. He assured me that as far as he knew there was nothing in it and he would fight against it. But I wish to place on record at this point a part of Dennis Braithwaite's column on December 16, 1963. It covers an interview with Stafford Smythe of the Toronto Maple Leafs hockey club and it goes this way:

The possibility that Saturday night hockey may pass from home screens to become an exclusive pay t.v. attraction is another indication of the shaky economic position of the television industry in this country.

That is all I wish to read from this article. I wanted to slip it into this context. To continue:

But the more immediate influence of community —t.v. is being felt in areas where there may be only one station on the air, such as Austin. If a community system can double or triple the volume of available t.v., it may not sit well with the one station concerned.

This is the matter about which I have said I have changed my opinion. I no longer see any way in which this can fairly be controlled. It is not for this reason, now, that I would offer this amendment to the Broadcasting Act.

Mr. Munro: Would the hon. member permit a question? Is he still advancing this amendment to the Broadcasting Act?

Mr. Fisher: Very much so, because I think this threat to free t.v. is very important. I appreciate that the hon. member who intervened comes from Hamilton and I think it was as a result of the Hamilton community antenna television operator coming up here to see him that I had an opportunity of seeing him. He was one of the community-antenna people who was quite prepared to accept these changes of government regulations. He himself could see that this is really the master plan or the great potential of some of the big interests who are interested in promoting and becoming shareholders in community antenna television. If I may read on—

The federal communications commission, which has had a rather ambivalent policy—

Much like the present Minister of Transport's policy.

—on whether it should worry about the economic consequences of its acts, has tried to help the affected station where it could.

I understand the same situation exists in this country as far as the Department of Transport stepping in is concerned.

Thus far it has ruled that such a system should not carry a given t.v. program until the local station, in effect, has exercised a first refusal. But if a community system uses only wires and does not need a relay facility, the agency, at the moment is powerless to act.

This also is the situation in Canada as I understand it.

The larger problem for the F.C.C., of course, is that the agency is confronted with something like two modes of t.v. All its traditional thinking has been directed to the distribution of t.v. broadcast stations requiring channels on the air. Now along comes a supplementary system which could sprawl considerably without recourse to hard-to-get facilities.

Present signs in Washington point to a full-fledged inquiry probably leading to future regulation of all kinds of community antenna t.v.... While the major broadcasting stations are not likely to lose their dominant role the little-noticed community t.v. antenna operator is really sitting pretty. It pay-t.v. and free t.v. come into conflict, he can handle both systems side by side and offer his customers the best of the two video worlds. Which may explain why some of the bigger boys are becoming interested in a system which has introduced another abbreviation into the video vocabulary: "CATV".

The final point I wish to make about United States set-up is this: starting in July, out in California, such a wired network is going into operation, and it will cover all the large networks as well as the broadcasting stations. I suggest to hon. members the question really is whether we are prepared to have the right to regulate—not regulate, now, but to have the right to regulate—in order to make sure that wired television systems do not develop into the kind of provincial or national network which will take off the air free t.v. as we know it. I am prepared to take a position on this. I do not see that there is any great principle involved, but I am prepared to take a position myself. I can see the potential when someone gets to 400,000 or 500,000 wired homes in this country which can be linked up with all Canadian football and national hockey. Some of the greatest entertainment going will disappear from free television airways in favour of these wired arrangements because there is a tremendous money potential there, as anyone who has attended any of the hockey games shown at the theatre in Toronto last winter knows. That field, it seems to me, is a legitimate one. What I am afraid of is the linking of this kind of enterpreneurship and this kind of money with a co-operative or ownership arrangement with the multitude of wire systems which have been developed in this country. I say this is a threat to free television, or advertising revenue sponsored television as we know it, and we need to face up to it at the present time.

I wish to point out that the government is none too clear where it stands. I have a speech here by the Secretary of State (Mr. Lamontagne) who answers in this field. This speech is called "The Eighth Lively Art". It was made on April 6, 1964 and the hon. minister has something to say about re-broadcasting and pay t.v.

As for pay-t.v., though not yet established firmly as a commercial television system in the home, it has been making strides into the cinemas, as many Ontario hockey fans know very well.

And, after the Etobicoke and Hartford experiments, pay-t.v. is about to get a full trial in California beginning July 1.

As Mr. Ouimet has suggested, t.v. re-broadcasting stations and pay-t.v. require study before situations develop in Canada which may or may not be in the best interests of Canadian broadcasting and the Canadian public.

That is not a very definite position to take. The troika, the three wise men who considered broadcasting and presented reports not long ago, Dr. Stewart, Mr. Jamieson and Mr. Ouiment, went out of their way to leave this problem to the government. Recently, the government announced the setting up of an advisory committee on broadcasting. Again, the terms of reference to this committee specifically say that community antenna television systems are excluded. In other words, the government intends to deal with this. In other words there is an onus upon the government to reach some decision on this matter.

I wish to repeat that two problems are involved. One is the whole future of free television. The other is the effect of the proliferation of community antenna systems upon the economic viability of certain private stations or C.B.C. affiliated stations in small market areas, where the taking away of a sizeable part of the audience could have a disastrous effect, certainly a potentially disastrous effect, on television revenue. I really feel that this bill should be accepted by the government—not as legislation, but I think it should be referred to a committee of this house so that we could hear arguments pro and con.

I wish to make one final point. I received a letter from a constituent protesting the government's intention to regulate in this field. It is from Mr. Robert Prettie who is president of Northern Wood Preservers Limited, Port Arthur. He said, in effect, the following:

It is surprising, to say the least, that Ottawa is concerned about the effect of cable t.v. on the "commercial health" of our broadcasting system. No concern was shown over the effect of these same stations on cultural attractions, movie theatres or on hockey games. Up until now the public has had a certain freedom of choice within the financial means of the individual to enjoy that freedom.

While I am, naturally, interested in and concerned about the local situation, I am also concerned about the over-all approach and the principles involved. For example, if people in Vancouver, Montreal and Port Arthur can have the services of cable television—why can't the people in Winnipeg have such services? If people in Toronto, Hamilton and Vancouver can receive American television stations direct on their own sets, why should the people of Winnipeg be deprived of receiving the same programs over cable television if they can get it and if they are prepared to pay for it?

Freedom of the air would seem to me to be just as essential as freedom of the press. However, the present thinking would appear to leave to Ottawa the ultimate decisions as to what will be available to the general public. With so many individual tastes and desires,—do you think that the general public can ever be happy with any selection but their own?

[Mr. Fisher.]

I replied to Mr. Prettie in this form. I want to put it on the record because I think it is relevant to this question:

At least one of the points that you raise was one that I did not take into account, this was lack of any previous concern about the effect of television broadcasting on other cultural attractions and events. The problem in its essence is this (for me and I believe for the government) if cable t.v. systems develop much further, they provide the basis for a potential wired network across the country which could drastically alter what we get on so-called "free television". The battle is already joined in the United States on this. Any action by the government has the intention to stop the development of a network, rather than the creation of any individual community cable system, and I believe this is going to be clarified.

I wrote this letter a few weeks ago, on May 25, when I thought some clarification was coming. Then I went on:

The difference between freedom of the air and freedom of the press is a substantial one. In theory, anyone can start a newspaper or magazine. This is impossible in broadcasting because channels are limited. As you say it would be unfair to deny to others in Canada what many Canadians in other areas receive from American television stations. For that reason, I can no longer, in fairness, oppose the licensing of a cable television system in Winnipeg, but I do oppose the possibility of a network in which Winnipeg is a link with other C.A.T.V. systems and I do advocate a clear order forbidding this as soon as possible.

That in essence sums what is a rather complicated argument on one of the most confusing minor issues that has come into the political arena in the last few months. I have a file of letters here that have come to me, and I am sure most other members can match it. Dozens of people have written about their concern, which has been stirred up through the national community antenna association of Canada. I believe the matter should be solved fairly quickly by a government order to the effect that I have argued this afternoon.

Mr. Munro: Mr. Speaker, I wonder whether I could ask the hon. member a question?

Mr. Deputy Speaker: Perhaps I should mention that the hon. member's time had just expired, although the hon. member for

Hamilton East (Mr. Munro) might be allowed to ask a question with the consent of the house. Is this agreed?

Some hon. Members: Agreed.

Mr. Munro: As I understand the hon. member, he is primarily concerned with the first problem rather than second, for which he finds no solution. Does he think the regulations under the Radio Act to some extent deal with the implications of his first problem, which he feels should still be dealt with?

Mr. Fisher: No; I think it still requires amendments to both acts, because I would suggest that the personnel who manage and look after the radio listening side of it, the technical side of it, are not in a position to move or act or weigh the consequences or the possibilities in the same way that the board of broadcast governors are.

Mr. MacRae: Mr. Speaker, since permission has been granted for one question to be asked, I wonder if another question might be asked.

Some hon. Members: Agreed.

Mr. MacRae: When the hon. member spoke he suggested that he did not now oppose another community antenna television system for Winnipeg. Is that the position at which we stop? Does he now feel that there might be one granted for Winnipeg but no others should be granted for anywhere else?

Mr. Fisher: No, Mr. Speaker; I am for the granting of them any place in Canada to bring in television programs from anywhere from which they can be obtained; and obviously, from the references, electronic developments are making this more and more possible. I say we have to have the power to regulate to prevent these systems from becoming linked into a wire system that will eventually lead to the cutting off of free television, because the wired systems, with their economic potential, will be able to buy and attract major attractions off free television—the blackout kind of situation.

[*Translation*]

Mr. Yves Forest (Stanstead): Mr. Speaker, if I congratulate the hon. member for Port Arthur (Mr. Fisher), the sponsor of this bill, it is for the interest he has shown in this very important matter and the opportunity he is giving us to discuss, in this house, the necessity or inadvisability to submit the community antenna systems and the like to the supervision and control of the board of broadcast governors, with the results we know and might expect, especially as regards programming and other non-technical questions.

It is the second time that a motion for second reading of this bill is brought before the house. Last November 29, the hon. member introduced Bill No. C-30, of which Bill No. C-40 now before us is an exact replica. I had the opportunity then to take part in the debate and I am glad today to add new comments to the few remarks I could make before the time allocated to the examination of that proposal had expired.

As the hon. member himself pointed out at the time, it is not sure either that the bill is complete or constitutional and that parliament has the authority to legislate in that respect.

This is a burning question at the present time and it could have great repercussions on Canadian t.v. viewers; it concerns, as well it might, several hon. members. It was discussed in the press throughout the country.

Indeed, all the newspaper accounts I have read were against any measure which would restrict individual freedom. One has to be jealous of one's freedom and be especially alert in that respect these days because governments have taken the habit of enacting legislation and regulations which often infringe upon the fundamental rights of citizens.

Like many others, I received from my constituents several communications showing concern on their part and the desire to get information or to make representations to me. Though a good number of them were perhaps prompted by people who had an interest in the matter, I am sure that many of them wrote to us of their own accord.

However, I can understand, as the hon. member has put it, why he is concerned and disturbed by the fact that these systems may, providing certain circumstances and in certain places, facilitate the reception of American broadcasts and promote the participation of foreign capital in the setting up and managing of corporations or companies which operate systems of that kind.

Since the first bill was introduced and while waiting for the report requested from the board of broadcast governors, the ministers concerned, that is the Minister of Transport and the Secretary of State, then in office, decided to stop issuing licences in some cases, everything following the press release of last December 30. I think that order has now been cancelled. However, since then the requested report was tabled in the house last

March 19 and printed in *Hansard*. I agree with the hon. member that, in the not too distant future and in the interest of all those concerned in those operations, the government will announce the future policy it intends to follow in that field. Many people or corporations already have invested rather considerable sums of money and are waiting impatiently for the government's decision to proceed. Personally, I feel that this policy or decision will not necessarily follow the recommendations made last March 19 by the joint committee of the board of broadcast governors and the Department of Transport.

I think that many hon. members would be opposed to that body being granted the right to decide what our fellow citizens can see on their television screen, especially when such regulations could apply to only a certain part of the population.

I know that the government, the Minister of Transport (Mr. Pickersgill) and the Secretary of State (Mr. Lamontagne) are studying that matter seriously, and I am confident that they will find a logical and realistic solution, in keeping with the best interests of Canadians, taking into account the special circumstances surrounding that case, which is very complicated and hard to solve.

The systems involved—and I am still referring only to the community television networks, which in fact are only an extension of the antenna any individual can instal on his house and which are used only to get a better reception of the signals which are already there, in the air, and which play a totally passive role and are no substitute for any television broadcasting of signals—do not transmit any program and, therefore, from the logical and practical viewpoint, cannot be subjected to the same standards and regulations which are provided or set up by radio and television broadcasting stations.

It is one thing to control what programs can be broadcast, but it is another thing to tell the people what programs they will be allowed to watch on their set.

Also, we know that everything that concerns the field of communications is very important here in this country and plays a leading part in what is called "The search for national purposes or objectives".

We must take into serious consideration and not exaggerate the role played by those systems as regards the transmission of signals coming from our neighbours to the south. As a matter of fact, 30 per cent of all cable systems in Canada do not transmit signals from the United States, but are used only to provide a variety and an improvement of programs already picked up in an area, or else they increase the capacity to pick up programs of Canadian stations which could not be seen otherwise.

Moreover, the subscribers of these networks represent only 5 per cent of all homes having television and even in this small percentage, one has to take into account all those who, like myself, live near the American border and can pick up television shows with an ordinary antenna or even without any.

It is obvious that in our country, the great majority of our people are concentrated in more or less narrow strips of land in the southern part of the country along the borders and can easily pick up the powerful American television stations. Such is the case in the eastern townships and except channel 7, the excellent station operated by the newspaper *La Tribune* in Sherbrooke, we can easily pick up American channels but hardly French and English stations of Montreal if we did not have the cable transmission services which are much appreciated by some 20,000 subscribers to the dozen of networks operating in our area.

Such is the situation of about half of the Canadian people. Regulations restricting the freedom and rights of a class of citizens would, in my opinion, only be unfair and discriminatory.

We appreciate the efforts and the contribution of the national network and of all private stations which are indispensable to us, and we acknowledge their merits. They actually offer us several interesting programs which are sometimes of great value.

It must be recognized, however, that our fellow citizens often look at programs originating south of the border and which our neighbours, with their unlimited means and greater facilities in every respect, can offer us in a more complete and elaborate manner.

At a time when, as evidenced by the Telstar experience, we shall soon be able to see programs coming from any country in the world, television viewers in Canada should not be prevented from seeing programs of interest to them. In my opinion, attempts should be made rather to encourage, help and prompt the C.B.C. network, as well as t.v. and radio stations and our artists, to present choice programs of prime quality and likely to hold the attention of Canadians who,

in general, are interested in their country, in their culture, in our projects, in our artists, and who gladly watch our programs when they satisfy their legitimate aspirations.

That solution would perhaps be more practical, more realistic and easier to apply. I know that we are already immensely contributing towards the operations of the C.B.C., the national film board, etc., corporations promoting a Canadian culture and a Canadian mentality, but we sometimes wonder if the best means are being taken to achieve this highly desirable purpose.

I do not want to imply that I am against all controls; wire television systems now have to comply with regulations established by the Department of Transport which controls the issuance of licences and which can, beforehand, give particular attention to stations receiving and relaying programs, the area covered, etc., and, above all, it is reasonable to expect that those networks have the obligation to broadcast Canadian programs when it is technically possible to do so.

I have no objection either to corporations or companies which operate such systems and want to obtain a licence being owned and controlled by Canadian interests in a large proportion, if not entirely.

However, we must avoid passing regulations that would deprive an individual of the right to watch on his t.v. set what he might pick up himself by using or erecting a more expensive aerial, which he avoids by becoming a subscriber to a community system. A regulation to the contrary would be an undesirable change. Our present legislation provides and assures that our country has broadcasting means under Canadian control and requiring a certain amount of Canadian content.

The objectives and purposes mentioned in section 10 of the Broadcasting Act passed in 1958 certainly did not forbid to listen to or watch programs from foreign countries, in order to seal off our culture against outside influence, when on the contrary it can develop and improve through contact with the views and the clash of ideas from all parts of the world.

[*Text*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, Bill No. C-40 before the house this afternoon, the purpose of which is to give the board of broadcast governors some control over the so-called community antenna t.v. and cable systems which are regularly picking up broadcast programs and relaying them for profit by cable to private homes, is one which I think needs to be studied by a committee of this house to determine whether or not this bill provides the manner in which it should be controlled or whether some other appropriate means should be set up. I say that for the reason that up to the present time the Department of Transport has exercised some control over the establishment of cable television systems, but at the same time I do not believe there has been an adequate or clear concept of how they do in fact go about setting up such control. As I understand it, they simply issue a licence or refuse to issue a licence to instal a cable system in a city, and that is about as far as it goes.

A few months ago a hearing lasting several days was held in the city of Ottawa at which the television and cable relay people all over the country presented their views. I think it is fair to say that at that time the main contention they put forward at the hearing was that these groups were nothing more or less than a large antenna system. In other words, a large number of people had banded together in a co-operative effort which resulted in their being able to receive programs which, in fact, they could individually receive anyway.

When the hon. member for Port Arthur (Mr. Fisher) introduced this bill, he mentioned that there was some confusion surrounding the regulations and the actual functions of this cable television system. I believe he said a mouthful when he said that. There are so many conflicting interests and conflicting regulations when you consider how this is going to affect private television, but certainly the House of Commons ought to give some consideration to it. I believe an agency of government should be concerned, in fact has an obligation to be concerned, when there are large segments of the Canadian population who may be deprived of something such as free television. In addition to the argument advanced by the hon. member for Port Arthur, I think we should very carefully consider the implication in rural areas as opposed to urban areas. We should consider what would happen if free television were either downgraded or discontinued. In many areas, even in my own constituency, there are people who are objecting vigorously to the establishment of cable television. They feel that, if and when it is installed, it is certainly going to delay the day when other satellites are set up in the area. This would

mean the people in rural areas would be denied the opportunity of listening to more than one channel.

Most of my constituency, which may or may not be typical, is confined to one channel television. It happens that the C.B.C. serves both ends of the constituency from two different broadcast areas. I know that large numbers of these people feel their interests are being hurt by the establishment of cable television because this is going to pick up all these urban customers, if you want to call them that, and there would be no commercial incentive to establish free broadcasting satellites.

I do not want to take up too much time, but I do believe that the expansion of cable television in Canada has reached the point where we have to recognize the fact that the regulation for the 55 per cent Canadian content in programming is being defeated. In other words, if it is possible, and we know now it is, to bring into these cable systems the entire programming of a United States station for one day, then these Canadian listeners do not get any Canadian content in their programs. I believe that this subject should be referred to a committee, and we should re-examine the regulation calling for 55 per cent Canadian content. If we are going to insist that private television stations in the country have 55 per cent Canadian content in their programs, whether or not their audience likes it, then in my opinion it is not fair that cable television should be allowed to broadcast the complete program schedule of stations which are not required to have that 55 per cent Canadian content. On the one hand, perhaps we have too little control, and on the other hand we are insisting on too much control.

I think perhaps we could argue that in certain areas satellites serve almost exactly the same purpose as cable television. In other words a satellite broadcasting 50 miles or 100 miles away from some major city into a small town or rural area is simply relaying the programs that originate in a television station in a city some distance away. The argument that there should be some local programming for that area is not valid at all, because of the point of origin of the program.

I do not wish to say any more, Mr. Speaker, except that I support the suggestion by the hon. member for Port Arthur that a committee of this house neds to have a look at this cable television development in Canada in view of the tremendous expansion of it. I agree with him also that there is a danger —I think that was the main basis of his argument—that it might develop into a closed circuit network from one end of the country to the other. Certainly if this happens I can see no difference between the control that should be exercised on that network and the control that should be exercised over private television networks. I am not sure that I can accept the bill that is before us, because it does seem to give blanket control to the board of broadcast governors over cable television without any indication as to what the members of the House of Commons would like to have done. I think it would be better if the subject were referred to a committee to be studied, and then recommendations made by the members of this house as to the regulations that should govern.

Mr. MacRae: May I ask the hon. member a question?

Mr. Olson: Certainly.

Mr. MacRae: Does he not realize the essential unfairness of a situation whereby a portion of our population close to the border can get half a dozen television program, while those who live 50 or 100 miles away are subjected to the delicate refinements of the C.B.C.?

Mr. Olson: I certainly do recognize that problem. I also recognize the problem, and I tried to outline it in the remarks I made, that private, free television broadcasting stations which are 100 miles away from the border are subjected to severe regulation, and if we are not going to do the same thing in controlling cable television then we should also relax these regulations for private television.

Mr. J. C. Munro (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I listened with considerable interest to the comments of the hon. member for Port Arthur (Mr. Fisher). I think many of the things he said are quite correct, and they are receiving the attention of the government.

The only area in which the hon. member became critical of the government, at least so far as I could ascertain, was that it could have moved faster in this area; but possibly the hon. member himself suggested a good reason why the government has not moved faster. Although the regulations in the Radio Act are holding the line adequately for the present, he himself indicated that he has been having second thoughts on this very complicated matter, and that is one of the reasons

why the government itself has not moved so fast in this area.

The hon. member indicated what is going through his mind on the basis of second thoughts, on the question of C.A.T.V. providing competition or cutting into broadcasting stations' service, and the implications that flow from this. He has indicated he is not so much concerned about this any more, and to a degree the matter gets down to the more technical aspects of the question with respect to C.A.T.V., and with respect to which is the most competent body or agency to deal with these matters, and with respect to what the technical criteria should be.

Perhaps there is some merit in what the hon. member suggests when he states he would bring that authority under the B.B.G. At the present time the Radio Act does provide some control. The hon. member did not deal with the question of foreign ownership to any great extent, at least that I heard, and I think this is one of the most serious matters concerned.

As I understand it, the Radio Act at present provides for a minimum of 75 per cent home ownership or partly Canadian ownership, and 25 per cent non-residential foreign ownership, and many people, including myself, have serious doubts whether this ownership provision is at all adequate. A lot can be said, especially when there is expensive technical equipment to purchase, in favour of a United States company purchasing 25 per cent of the equity stock in any C.A.T.V. network and, with the adequate financing they have, that they in fact should have the managerial control of the company. There is some question as to whether the provision in the Radio Act is sufficient to maintain Canadian ownership of C.A.T.V. This is very important, due to the fear that has been expressed, not only by the mover of this bill but by other hon. members who have spoken, regarding the implications of a possible network throughout the country.

We also have to be very concerned about foreign ownership because of the fact that these people might bid on something that is really Canadian, something like hockey night in Canada, and if this would happen we would have cause for real concern. I believe the government would be well advised to consider this bill, but to do so in conjunction with an over-all communications policy, not only in so far as foreign ownership of C.A.T.V. is concerned but with reference to television generally and radio as well.

Mr. Fisher: And *Time* and *Reader's Digest.*

Mr. Munro: Mr. Speaker, I should like to put on the record a few comments by a man who has written to me on this subject. He is the operator of one of these C.A.T.V. stations in my constituency, Mr. Norman Curry, and in his letter he says he is concerned about the possibility of Famous Players buying into C.A.T.V. operations across the country. I do not think there can be any doubt about who owns Famous Players. It is foreign owned and is having very significant influence in the C.A.T.V. field, and in the national association to which the hon. member referred.

In his letter he states:

> With this in mind, I am taking the liberty of putting my views forward, and I came here to give warning that if Famous Players are allowed to purchase and control cable systems across Canada, without any regulation, then the government is faced with the possibility of a third network in Canada, completely controlled by American sources. This is not a far fetched statement. Technically, all the systems that Famous Players now own or operate, or can purchase in the future, are capable of being interconnected. Various means exist in Canada that can be used to accomplish this purpose.
>
> The Bell Telephone Company of Canada, the Canadian National Railway and the Canadian Pacific Railway each possess micro-wave facilities, and wire facilities, licensed by the dominion government as common carriers, at the service of those who wish to pay the fee.
>
> So that in the event Famous Players decided to interconnect their systems, through these organizations, the use of their facilities, the number of viewers that they will have as a captive audience, and if a method of charging for a program placed on these facilities was carried out, they would be able to outbid any Canadian broadcaster in Canada, including the C.B.C., in the purchase of entertainment.
>
> If the government wishes programs for Canadians to be determined by Americans or for that matter, by private Canadian interests across Canada, then there will be no regulations. If this occurs, I firmly believe that within a matter of a very few years, Famous Players Corporation, with the assets available to them, and their resources will succeed in removing the Saturday night hockey games from Maple Leaf Gardens, from the reach of Canadian broadcasters, and place it on their own system for a few.
>
> But if the government believes that Canadian programming should be operated by Canadians for Canadians, then we must have regulations, and one of the keys to the whole situation is the interconnection between cable systems across Canada.

The Acting Speaker (Mr. Batten): The hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask whoever is the acting house leader about the business for next week?

Mr. Nicholson: Mr. Speaker, in answer to the hon. member I can only repeat what the house leader said earlier. The first business will be the legislation respecting the Roosevelt-Campobello international park, the second reading of that bill to be followed by the interim supply motion.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, June 22, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. WOOLLIAMS—STATEMENTS BY PRIME MINISTER ON VIEWING OF FILM

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, may I rise on a question of privilege that affects all members of the house. Not only does it affect all members of the house, but it reflects on what happened last Friday. The particular point of privilege which I raise today is this. With the greatest respect to the position he holds, I say that the Prime Minister has misinformed the house with reference to the film which has been discussed many times previously in this house.

I should like to read the answers to some questions which were put. I will give the dates to the Prime Minister and I should like him to follow me carefully. As reported at page 3429 of *Hansard* for May 21, 1964—I will leave out the first part of the questions because they do not go to the very root of my point of privilege—the Prime Minister was asked this question by the hon. member for Port Arthur:

> In that event, Mr. Speaker, if it were possible for the production to be seen on some network other than the C.B.C., would the Prime Minister and his advisers give their approval for that to be done?
>
> Mr. Pearson: We do not censor films on this side of the house.
>
> Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, may I ask the Prime Minister if he has had a private preview of the film?
>
> Mr. Pearson: Yes, Mr. Speaker.
>
> Mr. Diefenbaker: Oh? What were you doing it for?
>
> Mr. Pearson: My right hon. friend should not get so excited.

Now, Mr. Speaker, there may be some question as to the definition of "preview", and I should like to read that definition to the house. The reason I do so is that on another occasion when I raised a point of privilege as to the winter games the Prime Minister appeared to find some difference between the word "conference" and the word "committee". According to the Oxford dictionary "preview" means "to view or examine a film".

Now I come to Friday, June 19, when some question was raised as to the integrity of the Prime Minister and there was some difference between what the hon. member for Qu'Appelle had said and what the hon. member for Port Arthur had said. At page 4490 there is some very interesting reading, and I will quote these extracts in chronological sequence. The Prime Minister is reported as follows:

> Mr. Speaker, I do not propose to speak for anybody else but I propose to say that I was telling the truth, the total truth, and I ask the hon. gentleman to accept that. He says, in throwing doubt on my word, that two hon. members have seen this film.
>
> Mr. Diefenbaker: I said one.

Then the Prime Minister continued at the top of page 4491:

> One hon. member has seen this film. The hon. member may have seen this film. I have not.
>
> Mr. Diefenbaker: You did.
>
> Mr. Pearson: I have not seen this film.
>
> Mr. Churchill: What have you seen, then?

Now, Mr. Speaker, I should like to go back to June 2, where at page 3836 the Prime Minister was being questioned by the hon. member for Yukon regarding the film and an article which had appeared in the *Globe and Mail*. The Prime Minister is reported as follows:

> I did not see it in my office. I saw it in Toronto at a studio, and it was shown in an office in the east block. I saw part of it there but the sound track was so bad I left after a few minutes because it could not be understood.
>
> Hon. Paul Martineau (Pontiac-Témiscamingue): I have a question supplementary to the previous question asked of the Prime Minister. I was wondering if, as a sophisticated critic of art, he would tell us what he thought of the film "Mr. Pearson" when he saw it?
>
> Mr. Pearson: I found it exceedingly interesting, Mr. Speaker.

The point I want to make, Mr. Speaker, is this. On May 21 last, as reported at page 3429 of *Hansard*, the Prime Minister, in answer to a question from the hon. member for Pontiac-Témiscamingue, said that he had seen the film. May I now refer to his statement made last Friday, June 19, when he said he had not seen the film. Also on June 2, as reported at page 3836 of *Hansard*, he said he had found the film exceedingly interesting.

Therefore the point I make is that it could hardly have been exceedingly interesting if the Prime Minister had not seen it.

I would think, and I suggest this to the Prime Minister with the greatest respect to the position he holds—because we in Canada must not only respect the man but also the position he holds as Prime Minister of this country—that on this occasion he owes an apology to the hon. member for Qu'Appelle who left due to a procedural argument, and due to an argument definitely on the subject, when he charged that it was not the complete and full truth the Prime Minister was telling the house. I say in that regard, with the greatest respect, that the house has been misinformed and the Prime Minister owes an apology to the hon. member for Qu'Appelle and other members of the house.

INTERNATIONAL LABOUR CONFERENCE

TABLING OF INSTRUMENTS ADOPTED AT GENEVA MEETING

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I wish to table the texts, in English and in French, of the instruments adopted at the international labour conference held in Geneva, Switzerland, and to make a brief explanation of the instruments. Its conclusions included one international labour convention and two recommendations.

The convention and one of the recommendations deal with the problem of the risk caused in industry by inadequately guarded machinery. They seek the prohibition of the sale, hire and use of inadequately guarded machinery. These were adopted at the conference without opposition. The provisions of these instruments are being taken into account in legislation now under active consideration in the occupational safety field.

The other recommendation deals with the principles and practices to be followed in relation to the termination of employment of workers at the initiative of the employer.

All of these instruments were supported by Canadian employer, worker and government delegates.

The constitution of the I.L.O. requires a member state to bring conventions and recommendations "before the authority or authorities within whose competence the matter lies for the enactment of legislation or other action". In the case of a federal state there is a further obligation to refer the instruments to the appropriate state or provincial authorities "for the enactment of legislation or other action", and to arrange for periodic consultations with a view to promoting coordinated action to give effect to the provisions of the instruments.

The instruments will, therefore, in accordance with past practice, be brought officially to the attention of the provinces. My colleague the Secretary of State has sent copies to the lieutenant governor of each province, with the request that they be placed before the competent authority in the province for consideration.

CORPORATIONS AND LABOUR UNIONS RETURNS ACT

AMENDMENTS RESPECTING FILING OF CORPORATION RETURNS

Hon. Mitchell Sharp (Minister of Trade and Commerce) moved the first reading of Bill No. S-35 (from the Senate), to amend the Corporations and Labour Unions Returns Act.

Motion agreed to and bill read the first time.

GRAIN

COMMITTEE CONSIDERATION OF PRICES PAID BY LIVESTOCK FEEDERS

On the order: Government notices of motion:

June 19—the Minister of Forestry—The following proposed motion: —That the standing committee on agriculture and colonization be empowered to examine and inquire forthwith into all matters arising out of and relating to the difference between the prices received for feed grain by the producers in the prairie provinces of Canada and the price paid by livestock feeders in eastern Canada and British Columbia, and that the evidence adduced before this committee in the twenty sixth parliament be referred to the committee, and that the committee have leave to receive such evidence as part of the said examination.

Mr. Speaker: Pursuant to section 2 of standing order 21 this government notice of motion stands transferred to and ordered for consideration under government orders at the next sitting of the house.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MANPOWER CONSULTATIVE SERVICE

Question No. 901—**Mr. Latulippe:**

1. Is the agency known as the manpower consultative service now in operation and, if so, since what date and what work has been done in relation to the objectives of the agency?

2. If the agency is not yet in operation what has been done since the program was announced in the House of Commons last June?

3. What grants has the government provided for research purposes to (a) unions (b) companies (c) which unions and which companies and what amount was granted in each case?

4. What is meant by definite manpower problems and in the case of unions and companies who may have received grants, what were these problems?

5. In order to be entitled to these grants for research, how many companies gave the government advance notice of technical changes?

6. How many companies or unions made representations and were turned down?

7. Who are the six experts and who were given the task of setting up the agency and causing measures to be taken and (a) what are their qualifications and their salaries (b) where are they working at the present time, and (c) do they have any staff?

8. Who made up the three member commission that was to travel across Canada in order to interview candidates for the six positions?

9. Who were the 30 candidates and for what reasons were the six candidates chosen?

10. What is the nature of the federal fund established to decrease transfer expenses for workers displaced through technical changes?

11. Who is directly responsible to the treasury for this fund?

12. According to what standards or conditions is it administered?

13. What moneys have been spent to date?

14. Will this agency soon be reporting on its activities and, if so, when can the report be expected?

Mr. Lamontagne: 1. Staff is currently being appointed for the manpower consultative service. Four appointments have been made and the personnel will be reporting for duty during the month of May. Preliminary work on developing the program of the service has been undertaken by the Department of Labour.

2. Numerous discussions have been held with labour and management groups representing a variety of industries about the work planned for the agency, the staff mentioned in question 1 has been recruited and the plans for the new service were reviewed at the federal-provincial labour conference of ministers of labour and deputy ministers in March 1964.

3, 4, 5. No grants have yet been made.

6. No companies or unions making representations have been turned down.

7. (a) Three senior and three intermediate positions were established to administer this service, four of which have been filled by open competition through the civil service commission.

G. G. Brooks, head of the service, salary $16,000. University graduate with a B.A. and M.A. degrees with over 20 years experience in labour relations and personnel work in industry. During past 13 years was personnel manager with United Aircraft of Canada Limited.

D. Adamson, salary $13,100. A veteran of world war II with a diploma in electrical engineering and a number of years experience as a personnel manager and industrial relations consultant in industry. Latterly manager of employee relations with Levy Industries Limited, Toronto.

A. M. Sargent, salary $9,030. A war veteran and a graduate in arts and honours economics from McGill University. Former employee of the economics and research branch of the Department of Labour, who since 1950 has been engaged in a number of research projects providing him with knowledge of Canadian industry and manpower problems. His last major project was with the Canadian aspects of an international study, conducted by the organization for economics co-operation and development on effects of technological change in manpower and on manpower adjustment policies.

John Drew, salary $8,310. University graduate with a B.Com. and M.A. degrees; formerly research director for the B.C. federation of labour and latterly owner director of an economics and industrial relations centre in British Columbia.

(b) The present headquarters are the Department of Labour, Ottawa.

(c) Yes, three as of this date; three additional will likely be required to complete the establishment of this branch.

8. The committee which interviewed candidates for these positions consisted of R. C. Labarge, assistant deputy minister of National Revenue (customs and excise); W. R. Dymond, assistant deputy minister, Department of Labour; and A. F. Mackey, civil service commission officer.

9. Having regard for the right to privacy of the candidates and the possibility that publication of information could prove to be not only embarrassing but prejudicial to them, the commission feels it should not release for publication the names of the candidates who were not included on the eligible lists. The successful candidates were chosen because they met the standard of experience and ability which was required.

10, 11, 12. The Minister of Labour, through the manpower consultative service, is empowered to enter into agreements to provide re-employment incentives to a province or

employers or both, of one half the costs incurred in moving workers displaced by industrial change, and their dependents to other communities where employment is available. This provision is limited to those workers who, except for the payment of the incentive, would not otherwise be able to move.

13. No moneys have been spent to date.

14. The manpower consultative service will normally be reporting on its activities through the annual report of the Department of Labour, and through statements made from time to time by the Minister of Labour.

*COMMITTEE CONSIDERATION OF 12 MILE FISHING LIMIT

Question No. 1,081—**Mr. Mather:**

Is it the intention of the government to place the 12 mile fishing limit proposals before the standing committee on marine and fisheries and, if so, when will this be done?

Mr. Robichaud: Mr. Speaker, in reply I wish to state that the subject is at present before the committee on marine and fisheries.

ASSISTANCE TO GEOGRAPHICAL SOCIETY

Question No. 1,177—**Mr. Latulippe:**

1. Since 1960, has the government assisted the Canadian Geographical Society or the Canadian Geographical Journal by way of (a) technical advice given by any government department (b) research facilities on any department (c) direct co-operation of any government officials (d) credits, subsidies, or grants for travel, study, etc. (e) participation in the activities of international geographical organizations?

2. To which of these organizations does Canada belong and what appropriations has the government provided for this year's Canadian participation in and contribution to these organizations?

Mr. Lamontagne: 1. Since 1960 the geographical branch, Department of Mines and Technical Surveys, has assisted the Royal Canadian Geographical Society in an incidental manner from time to time. This has involved occasional small drafting jobs covering maps to be published in the Canadian Geographical Journal.

No direct grants, subsidies or travel grants have been provided. Geographical branch personnel have occasionally acted as representatives of the Royal Canadian Geographical Society in an incidental manner when attending international meetings.

No credits, grants or subsidies have been provided by the Department of Northern Affairs and National Resources. The department has responded in the normal way to requests for information and available photographs from time to time. The present deputy minister and his predecessor have been elected by members of the society to the board of directors of the society and departmental staff members have contributed occasional articles or book reviews to the journal.

2. Canada belongs to the international geographical union and the pan American institute of geography and history. For the current year the following appropriations have been made for Canadian participation: (a) membership, international geographical union, annual fee, $550; (b) travel expenses to cover participation of branch scientists in the international geographical congress (I.G.U.) in London, England, July 1964, $3,000; (c) annual membership fee, pan American institute of geography and history, $9,800; (d) travel expenses for attendance at directing council of the pan American institute of geography and history, Mexico, June 1964, $600; (e) travelling expenses of members of the Canadian national committee of the international geographical union, $1,600.

P.O. DEPARTMENT DEFICIT ON SECOND CLASS MAIL

Question No. 1,198—**Mr. Orlikow:**

1. How much was the deficit of the Post Office Department for delivering second class mail for each of the past five years?

2. Of this, how much was for delivering newspapers and how much was for delivering magazines?

3. Of the deficit for delivering newspapers, how much was for delivering daily newspapers and how much for delivery of weekly newspapers?

4. Of the deficit for delivering magazines, how much was caused by delivering Canadian magazines, how much by delivering United States magazines?

5. Of the deficit for delivering magazines, how much was caused by delivering institutional and how much by delivering commercial publications?

Mr. Nicholson: 1.

	(1) Deficit	(2) Deficit adjusted to reflect expenditures arising from the transfer to first class mail of costs for preferential treatment
1958-59	$23,147,000	$18,643,100
1959-60	24,407,400	19,675,800
1960-61	26,773,800	21,750,700
1961-62	26,420,700	21,307,400
1962-63	26,987,800	21,751,800

2, 3, 4 and 5. Amounts not available because costs have not been apportioned to the various categories of publishers mail.

The above deficits for second class mail include transient mail which consists of newspapers and magazines mailed by the general public. As from the 1st April 1964 there is no longer a transient second class mail category. The amounts do not include charges such as the cost of accommodation supplied by the Department of Public Works or the superannuation payments made by the Department of Finance. A complete apportionment of these costs by classes of mail and services will commence with the current fiscal year.

The preferential treatment accorded to first class mail results in expenditures chargeable to first class mail but not reflected in the allocation of costs on the basis of the departmental cost ascertainment system. The inclusion of these costs with the direct expenditures on first class mail produces corresponding deductions from certain other classes of mail. The deduction of costs applicable to second class mail reduces the deficit to the amounts shown in column (2).

OFFICIAL FLAG

Question No. 1,208—**Mr. Martineau:**

1. Is the flag embodying three maple leaves conjoined on one stem in the colours red and white the personal choice of the Prime Minister as the official emblem of Canada?
2. What advisers did the Prime Minister consult before proposing this flag as Canada's official flag?
3. What are the names of the heraldic experts which were consulted in regard to this choice?
4. Were any alternative models suggested by the Prime Minister's advisers and experts as possible models for Canada's new flag?
5. What is the heraldic significance of the new proposed flag?
6. Did the Prime Minister or the government receive from any other persons or associations any other suggestions for a national flag?
7. From whom were these suggestions received?

Mr. Pearson: 1. No.

2 and 3. The government has had the benefit of the advice of many Canadians including Mr. Alan Beddoe, consultant on heraldry, emblems and badges for Canada, Mr. J. R. Matheson, M.P., and Mr. Howard Measures, director protocol branch, Secretary of State Department.

4. Alternative models were suggested by the government's advisers.

5. Sprigs of maple leaves have been emblematic of Canada from earliest times while the colours red, white and blue have traditional and historic attachments for Canada. By royal proclamation on November 21, 1921, a coat of arms was granted to Canada which included in the third division of the shield three maple leaves conjoined on one stem on a white field, and a motto "From Sea to Sea" as the distinguishing features of the coat of arms. The design of these arms was simplified and corrected by the government, as announced in October 1957, and in 1962 was incorporated in the Queen's personal flag for use in Canada.

6. Yes.

7. At 15 June, 1964, including those submitted during and since the proceedings of the joint committee of the House of Commons and the Senate in 1945-46, approximately 5,952 flag models and designs have been received by the government. Almost all of these have been submitted by individuals although suggestions have also come from the national flag of Canada league, la ligue du drapeau national du Canada, the association of Canadian clubs, the Canadian Chamber of Commerce, the I.O.D.E. and the Royal Canadian Legion.

*CORPORATE INCOME TAX RETURNS

Question No. 1,246—**Mr. Doucett:**

How many business enterprises in Canada filed corporate income tax returns for the years 1957, 1958, 1959, 1960, 1961, 1962, 1963?

Mr. McIlraith: The number of business enterprises in Canada which filed corporate income tax returns for the taxation years stated, as recorded up to the end of the following calendar year, was as follows: 1957, 96,122; 1958, 105,480; 1959, 115,983; 1960, 128,986; 1961, 138,509; 1962, 147,970; 1963, not yet available.

WHARF RECONSTRUCTION, BLUE ROCK, N.S.

Question No. 1,252—**Mr. Crouse:**

1. Were public tenders called for the reconstruction of the public wharf at Blue Rock, Lunenburg county, Nova Scotia and, if so, what are the names of all companies bidding on this project and the amount of their bids?
2. What is the name of the successful bidder, and the amount of his contract?

Mr. Deschatelets: 1. Public tenders were rereceived on May 13, 1964 for breakwater replacement at Blue Rock, N.S.

Mosher & Rawding Limited, $49,250; Acadia Construction Limited, $53,500; Kenney Construction Co. Limited, $59,200; Porter Brothers Limited, $66,600; T. C. Gorman (Nova Scotia) Limited, $127,060.

2. The successful bidder was Mosher & Rawding Limited of Liverpool, N.S. at $49,250.

Questions

POST OFFICES CONSTRUCTED, ROBERVAL COUNTY, QUE.

Question No. 1,256—**Mr. Gauthier:**

1. How many post offices were built in Roberval county during the year ended March 31, 1964, under the program designed to combat unemployment and in what municipalities are they situated?
2. How many projects are still pending?

[*Translation*]

Answer: 1. Construction of three post offices commenced during the year ending March 31, 1964. They are located at: Albanel, St. Prime and Rivière au Doré.

2. Two, one at Ticouape and the other at Chambord, are under consideration.

[*Text*]

PURCHASE OF CONCESSIONAIRES, MALIGNE LAKE, ALTA.

Question No. 1,258—**Mr. Horner (Jasper-Edson):**

Is the department of northern affairs considering purchasing the concessionnaires at Maligne lake and, if so, for what reasons?

Mr. Laing: Yes. Public facilities, especially day use facilities, must be greatly expanded to meet the needs of a rapidly growing number of visitors. This will require the use of shore line and other areas now occupied by concessionaires.

USE OF PALISADES LODGE, ALBERTA

Question No. 1,259—**Mr. Horner (Jasper-Edson):**

1. With regard to the Palisades lodge, was the federal government ever approached by the provincial government in order to set up a cultural training establishment using the Palisades as a headquarters?
2. Has the department of northern affairs had any correspondence from any member of the Alberta government in this regard and, if so, what is the nature of the correspondence?

Mr. Laing: 1 and 2. No.

TENDERS FOR PENAL INSTITUTION, SPRINGHILL, N.S.

Question No. 1,269—**Mr. Coates:**

1. What is the proposed date for the calling of tenders for the construction of the young offender's institution at Springhill?
2. What will be the length of the tender call?
3. Will the tender call be comprehensive with all aspects of construction involved, or will there be a series of tender calls?

Mr. Deschatelets: 1. July, 1964.

2. A period of six weeks is contemplated.

3. The tender call will be comprehensive for the site development and construction of all buildings under the one contract. Separate tenders were called and accepted in March 1964 for the boiler plant equipment. Local tenders were called for two wells last year, and another local tender will be called for a third well in July.

[Mr. Deschatelets.]

TRANS-CANADA HIGHWAY BYPASS, NEW GLASGOW, N.S.

Question No. 1,272—**Mr. MacEwan:**

When was work commenced on the New Glasgow, Nova Scotia bypass of the trans-Canada highway, and what amount has been contributed by the federal government to this work?

Mr. Deschatelets: The first contract on the New Glasgow bypass was awarded on November 10, 1961. The federal government has contributed a total of $1,377,065.77 up to the present time for this project.

PIER REPAIRS, BAILEY'S BROOK, N.S.

Question No. 1,273—**Mr. MacEwan:**

What are the details of the pier repairs to be carried out at Bailey's Brook, Nova Scotia, as listed in supplementary estimates (A), 1964-65?

Mr. Deschatelets: Repairs to the east pier at Bailey's Brook will include reconstruction of (a) 100 foot section of inner end in timber pilework, (b) 145 foot section of wavebreak in concrete, (c) 650 foot outer section of deck system in concrete. Minor repairs to deck system of outer 80 feet of west breakwater will also be carried out.

LABOUR SHORTAGE ESTIMATES

Question No. 1,285—**Mr. Orlikow:**

1. Has the Department of Labour a definition of a labour shortage and, if so, what is it?
2. In how many occupations does the Department of Labour estimate there will be labour shortages in 1964? What are they?

Mr. MacEachen: 1. The Department of Labour has no official definition of a labour shortage.

2. Not applicable.

IMPROVEMENT OF HAUL-OUT FACILITIES, WHITE POINT, N.S.

Question No. 1,289—**Mr. Muir (Cape Breton North and Victoria):**

Is it the intention of the Department of Public Works to carry out improvements to the haul-out facilities for the benefit of the fishermen at White Point, Victoria county, Nova Scotia and, if so, what are the improvements and how soon will they commence?

Mr. Deschatelets: Yes. A contract has been awarded for repairs to the concrete top

of the skidway, and the work is expected to commence in the near future.

*TORONTO AIRPORT—LIMOUSINE AND TAXI SERVICE

Question No. 1,304—**Mr. Cowan:**

1. What is the nature of the exclusive rights which have been granted to Air Terminal Transport Limited to provide limousine and taxi service at Toronto international airport?
2. When were these arrangements made?
3. On what basis was limousine and taxi service provided at Toronto international airport prior to these arrangements?
4. On what basis may other taxi operators provide service to or from the airport?
5. What is the reason for granting an exclusive concession to Air Terminal Transport?
6. Does Air Terminal Transport hold taxi licences from the appropriate municipal or metropolitan authorities?
7. What provincial or municipal franchises does Air Terminal Transport hold?
8. How many buses, limousines and taxis does Air Terminal Transport have available for this service; and how many of these are available at the airport?
9. What rates are charged by Air Terminal Transport; and what authority do they have for the charging of these rates?
10. How many passengers were carried by Air Terminal Transport by bus, limousine or taxi by categories, for the years ending July 31, 1961, July 31, 1962, July 31, 1963?
11. What revenues were paid by Air Terminal Transport to the Department of Transport under these arrangements?
12. Has the Department of Transport, Canadian National Railways or Canadian Pacific Railway Company made any payments to Air Terminal Transport in connection with the carriage of freight and express and, if so, has any concession fee been paid to the department on such occasions?

Mr. Pickersgill: Mr. Speaker, I have a rather long winded answer to this question, and I wonder whether it could be taken as a non-starred question and the answer printed in *Hansard* in order to save the time of the house.

Mr. Speaker: Does the house agree?

Some hon. Members: Agreed.

[*Editor's note: The answer referred to above is as follows:*]

1. Air Terminal Transport Limited have been granted the exclusive right and privilege to maintain and operate a limousine and taxi station at Toronto international airport for the operation of a limousine and taxi service, together with the right and privilege to park buses, limousines and taxis in connection with the operation at such locations to be determined by the airport manager.

2. The department first entered into an agreement with Air Terminal Transport Limited on August 1, 1951. The agreement was renewed in 1955 for five years; and again in 1960 for ten years, but at a higher rental.

3. Carter Transportation Limited provided the previous ground transportation service at Toronto international airport. In accordance with the established policy of the department at the time, the air line operators serving the airport were permitted to select their own ground transportation carrier, following which the department negotiated with the carrier for an agreement to permit them to enter the airport to carry on their business. Carter Transportation Limited, having been selected by the air lines concerned, were granted a four year agreement by the Department of Transport effective August 1, 1947. Prior to the expiry of that term, the airlines concerned informed the department that they were not prepared to renew their agreement with Carter Transportation Limited, but instead wished to enter into an agreement with Air Terminal Transport Limited. Following negotiations between the department and Air Terminal Transport Limited, the Department of Transport agreed to grant them an agreement to serve the Toronto international airport, provided they first obtained the necessary public vehicle licence from the Ontario highway transport board. Air Terminal Transport Limited purchased the equipment of Carter Transportation Limited and subsequently the Ontario highway transport board, following public hearings, agreed to transfer Carter's public vehicle licence to Air Terminal Transport Limited.

4. Other taxi operators are free to bring passengers to the airport, or to collect passengers at the airport by prearrangement. However, they may not solicit business at the airport, or pick up fares without prearrangement.

5. Air Terminal Transport Limited is required to provide a 24 hour service at the airport to meet the needs of the airlines serving the airport and the travelling public. They are required to operate limousines, buses and special cars and to have them available in sufficient numbers at the airport to meet peak demands, both scheduled and unexpected, arising from weather delays, diversions, etc. They are required to provide modern equipment, to carry public liability insurance, and provide uniformed employees. All of this requires a very heavy capital investment on the part of the company, and to maintain such an investment it is necessary that the company

be given exclusive rights to the passenger traffic offerings at the airport. To permit unrestricted competition from taxis would make the whole operation economically unsound. Without granting the company exclusive rights, it would be impossible to provide the type of service required by the travelling public. Experience elsewhere indicates that ground transportation dependent on the chance availability of taxis at an airport would be most unsatisfactory. There might be an oversupply of taxis available during certain periods with objectionable efforts to compete for the available passengers. In bad weather when business might be brisk downtown there would be a shortage of vehicles at the airport, leaving passengers to wait long periods for transportation. A split concession as between limousines and taxis is also unworkable. The department tried such an experiment at another major airport and had to abandon it in favour of the single operator. There, taxis were competing with the limousine by soliciting group fares at the airport, or preceding the limousine to known hotel pick-up points, and again soliciting group fares.

6. Air Terminal Transport Limited does not hold taxi licences. These are not required for the type of service performed by the company.

7. Air Terminal Transport Limited holds public vehicle licence No. 1519 from the province of Ontario, which allows its vehicles to carry passengers to and from Toronto international airport, and to any point in the province of Ontario.

8. The company operates 13 buses of the highway cruiser type. Eight are 41 passenger, and five are 33 passenger vehicles. Seven buses operate on a regular 15 minute service, and six are available for extra backup service. The company operates 90 late model sedans. These sedans are replaced with new ones every six months. An average of 55 cars are on duty at all times, 78 at peak periods, seven on the Hamilton service and five surplus at peak periods. The company's garage is located one half mile from the airport.

9. The limousine fare is $1.50, and the cars are operated on a zone rate basis comparable to taxi meter rates. The rates are subject to the approval of the Ontario highway transport board, the Department of Transport and the various air lines serving the airport.

[Mr. Pickersgill.]

10. Passengers carried:

	Bus	Car
Year ended July 31/61	357,950	358,143
" " July 31/62	344,319	413,564
" " July 31/63	349,862	434,705

11. Revenue paid the Department of Transport: Year ended July 31/61, $60,609.24; year ended July 31/62, $67,552.04; year ended July 31/63, $68,856.88.

12. Air Terminal Transport Limited does not have any agreement with the Department of Transport covering the carriage of freight and express. There are no exclusive agreements covering this type of operation, and in this respect Air Terminal Transport compete freely with the trucking and express companies.

CERTIFICATE OF MASTER, PATROL CRAFT "SCATARI LIGHT"

Question No. 1,305—**Mr. Muir (Cape Breton North and Victoria):**

How long has Peter Gerald Boudreau, master of the fisheries patrol craft *Scatari Light*, held a temporary certificate as master of a steamship of not more than forty tons, valid on the coastal waters of Cape Breton island and the adjacent mainland?

Answer: May 21, 1964. Prior to this date Mr. Boudreau held temporary certificate as master of a steamship of not more than 40 tons, limited to the area from Port Hawkesbury to St. Esprit, including Canso. He was master of his own fishing vessel from 1945 to 1963.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ADMINISTRATIVE RESPONSIBILITIES OF MINISTERS

Question No. 707—**Mr. Martineau:**

1. What are the statutes and acts that are being administered in each case by each of the departments of government?

2. Have there been any changes or transfers from one department to another since the 23rd of April 1963 and, if so, what was each change or transfer?

3. What are the names of all crown corporations or agencies giving, in each case, the minister who is responsible for same in parliament?

4. Has there been any change or transfer of responsibility for such crown corporations or agencies since the 23rd of April 1963 and, if so, what are such changes or transfers, giving the names of the ministers involved?

5. Does the government propose any further changes or transfers of the administration of acts or statutes from one department to another or from one minister to another?

6. Does the government propose any changes in regard to crown corporations or agencies of the

minister who is responsible in each case to parliament for such crown corporations or agencies?

Return tabled.

RECOMMENDATIONS OF JOINT INDIAN AFFAIRS COMMITTEE

Question No. 867—**Mr. Howard:**

What action, in detail, has been taken with respect to each of the following recommendations of the joint committee of the Senate and the House of Commons on Indian affairs:

"(a) Education is the key to the full realization by Indians of self determination and self government.

(b) Education of Indian children in schools under the jurisdiction of the provinces should be continued and expanded.

(c) Kindergarten facilities for Indian should be provided.

(d) The provincial authorities should be approached to ensure that a more comprehensive and accurate account of the Indian people is used and described in history courses and texts.

(e) Agreements should be entered into with provincial authorities to extend adult education facilities to Indians with the program expanded.

(f) Travelling library facilities to Indian communities should be expanded wherever possible.

(g) Academic upgrading and social orientation courses to prepare young Indians for placement or specialized training should be greatly expanded.

(h) Full support and encouragement should be given to formation of home and school or parent-teacher associations.

(i) The fullest possible encouragement and incentive should be given to Indian children to go as far as they can in school.

(j) In addition to an intensive educational program, the economic opportunities and environment of the Indian people should be developed.

(k) The Canadian Broadcasting Corporation and other agencies should prepare factual presentations of the Indians' way of life and their contribution to the development of Canada."?

Return tabled.

EMPLOYEES OF WORLD FAIR CORPORATION

Question No. 1,119—**Mr. Latulippe:**

1. How many people has the Canadian corporation for the 1967 world exhibition hired since February 19 last and how have these new employees been assigned to the various services of the company?

2. Who are the corporation's new administrative officers and what are their qualifications, salaries and responsibilities as of March 31st, 1964?

Return tabled.

CANADIAN BROADCASTING CORPORATION

REQUEST FOR SHOWING OF FILM RESPECTING PRIME MINISTER

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, is the Secretary of State in a position to advise the house with regard to the report in the press this afternoon that he has been in communication with the C.B.C., as was the Prime Minister on Friday last, relative to the film "Mr. Pearson" being shown to the Canadian public?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I have received the following letter from the president of the C.B.C.:

The corporation has been advised by the Prime Minister that in his personal view a television film known as "Mr. Pearson", rejected for broadcast by the C.B.C., should be given a public showing.

The corporation has also noted opinions expressed in the house by the Leader of the Opposition and other speakers.

The C.B.C. is responsible to parliament and must at all times carry out the wish and intent of parliament.

The independence of the C.B.C. from political influence in its operations is a cardinal point of public broadcasting policy. The corporation could not discharge its responsibility to parliament without this policy. Further, the public might well lose its confidence in the corporation and its program services if there were serious reason to doubt the corporation's integrity in such matters. Consequently, the corporation must at all times be careful not to confuse political matters with questions of broadcast responsibility.

With respect to the present situation it does not appear to the corporation that parliament has clearly indicated its wish that the rejected film be broadcast. In attempting to interpret the intent of parliament on this matter the corporation has encountered some difficulty.

This difficulty stems from the fact that since the inception of the C.B.C. it has been the custom of parliament to direct the work of the corporation only through approval of broadcasting policies in their broadest sense. The present instance is a question of whether or not a single program should be broadcast. Consequently there appears to be a question of principle or policy involved which may well transcend the more obvious and immediate considerations.

In the corporation's view this is a matter of great importance, keeping in mind the precedent that could be established in connection with broadcasting or showing of the film in question.

The corporation has already taken a broadcast decision with respect to this film. That decision was based solely on the professional broadcasting standards of the corporation which are used to judge such matters. The film has not changed and those standards have not changed.

Consequently the corporation must determine whether more compelling factors now exist in the realm of public interest. The corporation will give the matter immediate attention at the annual meeting of its board of directors this week and will advise you of its conclusions not later than Thursday, June 25.

As stated already, it is the desire of the corporation to carry out at all times the wishes of parliament.

Mr. Pugh: Was that letter dated a week ago?

Mr. Diefenbaker: Without making any observations on that, which of course I cannot do at this time, did the minister ascertain from the C.B.C. whether, in the event it decided to show this film to the Canadian people, the excised portion or the expurgated portion, the tenderized or disinfected portion, would also be shown?

Mr. Lamontagne: I think the corporation is well aware of the requests which were made last Friday. I have not received any answer yet.

Mr. Frank Howard (Skeena): May I ask a supplementary question. I wonder if the minister, in his communication with the C.B.C., would take into account the desires of the Leader of the Opposition as they apply to the film "Mr. Pearson", and make the same request for the same application of those desires as they apply to the film, "The Chief"?

Mr. Diefenbaker: May I point out that I had nothing whatever to do with that, and every portion of it can be produced. I challenge the government to produce "Mr. Pearson".

NATIONAL DEFENCE

CYPRUS—REQUEST FOR REPORT ON RETURN OF MINISTER

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I notice that the Minister of National Defence is back in the house and I feel that all hon. members would like to know if he has comments to make concerning our troops, especially as far as morale and the military program are concerned.

[*Text*]

Hon. Paul Hellyer (Minister of National Defence): I do not have a report, but I should like to say that the troops I visited everywhere, in France, Germany, Cyprus and the Gaza strip, were all in high spirits, and they are doing their jobs most effectively. I can assure the hon. gentleman that he would be very proud of the Royal 22nd regiment and the magnificent way they are carrying out their responsibilities on the island of Cyprus, where young men of tender age are acting as excellent ambassadors for Canada and really doing a job there of which we can be proud.

Hon. Gordon Churchill (Winnipeg South Centre): May I ask a supplementary question. I should like to ask the Minister of National Defence, is it his intention now to request an extension of the terms of reference affecting our troops on Cyprus so they may take more active steps to prevent trouble on the island?

Mr. Hellyer: No, Mr. Speaker, it is not my intention. A suggestion has been made, however, that it may be necessary to review the terms of reference some time in the future if the United Nations force is to carry out a more active role there.

Mr. Churchill: Was the minister accurately reported when he was reported in the press as saying that he thought the terms of reference should be extended so some disarmament of the people causing the trouble in Cyprus could take place?

Mr. Hellyer: That was not accurate; I made no such suggestion.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I should like to direct a supplementary question to the Minister of National Defence. Could he tell us whether he intends to go to Washington to meet the president of Turkey or to invite him to Canada so that we might explain to him our country's point of view on the Cyprus situation?

[*Text*]

Mr. Hellyer: My colleague the Secretary of State for External Affairs is keeping in constant touch with all those who are doing their best to reach some settlement in that strife-torn island, and I do not think there is anything which could be done which is not presently being done.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I should like to direct a supplementary question to the Secretary of State for External Affairs.

Does he propose to meet the president of Turkey when the latter is on American soil in a few days, in order to discuss the Cyprus situation?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I will be in Washington Thursday for discussions with the joint defence committee, and I may have something to say to the hon. member and to the house on Friday.

[*Text*]

[*Later:*]

Mr. H. Russell MacEwan (Pictou): I have a question for the Secretary of State for Ex-

ternal Affairs. Can the hon. gentleman advise the house whether the continued operation of Canadian troops in Cyprus will be financed by Canada, or whether financial assistance can be expected from the United Nations?

Mr. Martin (Essex East): I wish the financial situation of the United Nations was such that we could count upon the collective financial responsibility of all the state members. But that is not the case, and we shall have to continue under the arrangement for the first three months.

HEALTH AND WELFARE

IMPLEMENTATION OF RECOMMENDATIONS OF ROYAL COMMISSION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. My question is based on his statement on Friday that those recommendations of the royal commission on health services which are to be implemented should be put into effect as soon as possible. In the light of this assertion, may I ask the Prime Minister whether it is the intention of the government to carry out the recommendation that a federal-provincial conference be convened within six months of the date of the tabling of volume 1 of the report to consider initial steps in connection with a health services program?

Right Hon. L. B. Pearson (Prime Minister): It is the intention of the government to give this important report the detailed study which it deserves and which it must receive before the government can appear at a federal-provincial conference to discuss with the provinces the policy which should be adopted jointly with them. As soon as a study of this kind has been completed we shall be in a better position to approach the provinces with a view to holding a conference on this matter.

Mr. Knowles: Will the Prime Minister give consideration to the recommendation in the report that even before such a conference is held, changes be made in the Hospital Insurance and Diagnostic Services Act?

Mr. Pearson: Well, there is a meeting next month with the provinces at which time this matter will be discussed, but the hon. gentleman knows that we are dealing with as important a report as has been given to the people of Canada for many years. It will require very careful consideration both by this government and by provincial governments. I hope, indeed I know, we can reconcile the need for this kind of consideration with the urgent need for getting ahead with these matters.

[*Later:*]

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a question to the Minister of Justice?

Can the minister tell the house if the government intends to implement the recommendations of the royal commission on health services and amend the Criminal Code to allow the provinces that so wish to set up lotteries to help meet the cost of health services?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, that recommendation will receive the same serious and full consideration of which the Prime Minister spoke a while ago, as all the other recommendations made by the commission.

[*Text*]

INCLUSION OF MENTAL HOSPITALS AND TUBERCULOSIS SANATORIA IN FEDERAL PROGRAM

On the orders of the day:

Mr. William Dean Howe (Hamilton South): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. Is the government considering immediate legislation to designate mental and tuberculosis hospitals as facilities under the Hospital Insurance and Diagnostic Services Act?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows this was a recommendation of the advisory council on health. As the Prime Minister has already mentioned, there is a meeting of ministers of health to be held in Ottawa next month, and this will be one of the matters on the agenda.

VETERANS AFFAIRS

COMMITTEE CONSIDERATION OF TRANSFER OF HOSPITAL CONTROL

On the orders of the day:

Mr. R. N. Thompson (Red Deer): My question is directed to the Minister of Veterans Affairs. May I first take this opportunity to welcome him back in our midst. Is it the intention of the hon. gentleman's department to refer the question of veterans hospitals

to the standing committee on veterans affairs before any definite action is taken to transfer control of such hospitals?

Hon. Roger Teillet (Minister of Veterans Affairs): I believe I have answered that question on other occasions. The question was discussed by the committee during the course of the last session. It made a recommendation, and we have undertaken to consult with veterans organizations before anything is made final. I do not think it would serve a useful purpose at this stage, because of the need for completing some of these arrangements, to refer this back to the committee.

Mr. D. V. Pugh (Okanagan Boundary): I wonder if the minister would tell us how many hospitals have actually been transferred from the administration of the Department of Veterans Affairs to date.

Mr. Teillet: None, Mr. Speaker.

Mr. Pugh: Not even Calgary?

Mr. Teillet: No, Mr. Speaker.

SPEECH BY MINISTER AT UNVEILING OF MEMORIAL IN NORMANDY

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Veterans Affairs whether he has apologized to the Royal Winnipeg Rifles for his inappropriate remarks on the occasion of the unveiling of the Winnipeg Rifles war memorial in Normandy.

Mr. Pearson: Down in the gutter again.

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, there was no apology necessary, and I offer none. The remarks I made at that very impressive ceremony were appropriate and in keeping with the circumstances. If one reporter among many others present who made a specific report—quite inaccurate in its quotations—had been listening to what I said and had read the very well prepared historical record of the Royal Winnipeg Rifles before writing his story, I am sure his report would have had a different orientation.

FLOODS

BRITISH COLUMBIA AND YUKON—STEPS TO ALLEVIATE SITUATION

On the orders of the day:

Mr. G. L. Chatterton (Esquimalt-Saanich): May I address this question to the Prime Minister in the absence of the Minister of Northern Affairs and National Resources and his parliamentary secretary. In view of the grave concern among many people in the Fraser valley that the dikes which extend for some 233 miles along the lower Fraser and its tributaries, having been subjected to an unusually high level of the river over an extended period, are endangered as a result of saturation, seepage and undermining, can the Prime Minister advise us what the situation is and what steps the federal government is taking in this regard?

Right Hon. L. B. Pearson (Prime Minister): Not today, but I will look into the situation and see whether we can make a report tomorrow.

Mr. Chatterton: To allay the fears of the people, can the right hon. gentleman state in advance that in the unfortunate event of breaches in the dikes and widespread losses, the federal government will give generously and without bickering to relief, and not in the picayune Alberni tidal wave fashion?

Some hon. Members: Order.

Mr. Speaker: I do not think that question is in order.

Mr. Erik Nielsen (Yukon): May I ask the acting minister this. Can he inform the house whether any financial assistance has been or will be given to the government of the Yukon territory with respect to the serious damage caused by floods in the Mayo and Dawson City area?

Mr. Pearson: I will take that up with the minister.

FISHERIES

NEW BRUNSWICK—PROTECTION OF SALMON IN DAM CONSTRUCTION

On the orders of the day:

Hon. H. J. Flemming (Victoria-Carleton): I have a question for the Minister of Fisheries. Has the minister received a telegram from Kenneth Homer of Upper Woodstock, New Brunswick, requesting a copy of a recent report from the Atlantic office of his department relative to the effects of the proposed Mactaquac power development on the Atlantic salmon in the Saint John river?

Hon. H. J. Robichaud (Minister of Fisheries): I did receive such a telegram, and my reply was to the effect that there were no official reports available. There is a study being made by the federal Department of

Fisheries and the government of New Brunswick, but while negotiations are under way it would not be proper to make public any report which we have available to us.

Mr. Flemming (Victoria-Carleton): Will the minister assure the house that when the report is available it will be made public?

Mr. Robichaud: When the negotiations with New Brunswick are complete, and with the consent of the provincial government, because they are a party to this study, the report will be made public.

EDUCATION

LOANS TO STUDENTS—INQUIRY AS TO LEGISLATION

On the orders of the day:

Mr. William Dean Howe (Hamilton South): I wish to address a question to the Prime Minister. In view of the recommendation of the royal commission on health services, will the government consider immediate implementation of its proposed university scholarship and loan plan, and a major extension of it to include medical students, postgraduate physicians, dentists and nurses?

Right Hon. L. B. Pearson (Prime Minister): As I have already stated, we hope to put this into effect as quickly as possible this summer.

BROADCASTING

REQUEST FOR COMMITTEE EXAMINATION OF C.B.C. ACCOUNTS

On the orders of the day:

Mr. George Muir (Lisgar): I want to address a question to the Secretary of State. Would the minister advise the house whether it is the intention of the government to have an examination of the accounts of the Canadian Broadcasting Corporation by a special committee on broadcasting?

Hon. Maurice Lamontagne (Secretary of State): No, Mr. Speaker.

CANADIAN CONFEDERATION

RESOLUTION OF ST. JEAN BAPTISTE SOCIETIES RESPECTING ASSOCIATE STATES

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to put a question to the Prime Minister.

Could he tell us whether he received a copy of a brief presented by the St. Jean Baptiste societies of Quebec, concerning a new federation of two associate states in Canada?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I do not recall having received it. It has not been brought to my attention if it has arrived, but I will look into it right away.

COMMONWEALTH RELATIONS

REPORTED SPEECH IN BRITAIN BY ARNOLD HEENEY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Secretary of State for External Affairs based on a report of a speech made by Mr. Arnold Heeney to a British audience on Friday last, when he is reported to have said:

> It seems to me unprofitable...to place undue emphasis nowadays on friendship and special relationship within the commonwealth. The winds of change...have laid bare the dry and brittle roots of much cherished doctrine.
>
> It is obvious enough that the commonwealth cannot recover nor achieve any meaningful degree of political cohesion.

Would the minister inform the house if this statement is a reflection of government policy and, if it is not, what right has a servant of the public to go travelling around making statements in contradiction to that policy?

Mr. Speaker: I do not think this question is in order under the rules given to the Chair. It fails in that questions should not inquire whether statements reported in a newspaper are correct.

Hon. Paul Martin (Secretary of State for External Affairs): In view of the fact that the hon. gentleman has made a statement concerning a distinguished public servant, I think, in fairness to that public servant, I should make a reply.

Mr. Speaker: If the question is not in order I doubt very much if a reply can be permitted. I am sure there will be another opportunity to make a statement. If I make an exception for the minister I will have to make exceptions in other cases, and the rules are destroyed.

Mr. Herridge: I will go into this matter further at ten o'clock.

Inquiries of the Ministry

FORESTRY

NOVA SCOTIA—CONTINUATION OF IMPROVEMENT PROGRAM

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Acting Minister of Forestry. On June 10 I asked the minister a question in regard to the urgency of agreement being reached between the federal government and the government of Nova Scotia with respect to the forest stand improvement program, to provide employment for unemployed miners in Cape Breton. At that time the minister said he would have an answer the following week. I am wondering whether he is in a position to throw any light on that subject today.

Hon. J. R. Nicholson (Acting Minister of Forestry): Mr. Speaker, I know that the matter has been under urgent consideration by the minister and senior officials of his department. I shall give him notice of this further question today, and I think he will be in a position to answer within the next three or four days.

UNITED NATIONS

DISARMAMENT—CANADIAN CONTRIBUTION TO SO-CALLED BOMBER BONFIRE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Secretary of State for External Affairs, although I think he might wish to consult his colleague the Minister of National Revenue before giving a categorical answer. Will the Canadian government consider a contribution to what is known as the "bomber bonfire", which seems to be the most promising approach to disarmament at the present time?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, there are two proposals currently before the 18 nation disarmament committee concerning the destruction of bomber aircraft; the Soviet proposal for the destruction of all bombers by all countries, and the United States proposal for the reciprocal destruction of a specific number of B-47's and TU-16's which have similar long range missions. In its present form the Soviet proposal is unrealistic. The United States proposal concerns major armaments of a type not held by Canada.

[Mr. Herridge.]

TRADE

WHEAT—POSSIBLE REDUCTION IN SALES TO RUSSIA

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Minister of Trade and Commerce based on the undertaking the Prime Minister gave last Friday, when he said the Minister of Trade and Commerce "perhaps will be in a position to make a statement on the whole matter early next week".

My question is based on the apparent contradiction between what the Minister of Trade and Commerce said in Los Angeles a few weeks ago and what Mr. Khrushchev said in Denmark late last week, when he said it is unlikely that Moscow will make further purchases of grain from the west, which has provided millions of bushels of wheat to offset poor Russian crops. The Minister of Trade and Commerce said in Los Angeles that he expected this trade with Russia would carry on for a number of years. I wonder whether he is now in a position to clarify this matter, or when he will be able to do so?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I will be very happy to make a statement now. In the first place, the statement I made in Los Angeles was to the effect that I did not think the Soviet union was likely in the near future to be a large exporter of wheat, and I think this statement is probably true, although it is just a personal opinion.

May I go on to answer the two questions asked by the Leader of the Opposition and the hon. member for Medicine Hat last Friday in my absence. The Leader of the Opposition asked me to comment on a statement made by the premier of the Soviet union in Denmark the other day, in which he is quoted as having said that he did not think Moscow will make further purchases of grain from the west in 1964.

When the Leader of the Opposition asked me a similar question the other day I made it quite plain that we were waiting for the Soviet union to make up their mind. This continues to be the situation. The wheat board is constantly in touch with the Soviet union, and when they have made up their mind they will let the wheat board know whether or not they require any grain. I have never made any statements to the contrary, and I certainly would not want to mislead anyone. This is a

decision that has to be made by the Soviet union. But may I say that so good has been the performance under the existing contract with the U.S.S.R. that the Soviet authorities have made it quite plain to us that if they need wheat they will certainly buy some from Canada. The shipments against the enormous contract that we signed last fall will be completed this July. Deliveries have been made ahead of schedule, the quality has been excellent, and the Russians are happy.

May I add, so that I may not be accused of having misled the house, that in the fall I forecast that our exports of wheat and flour this year would be of the order of 550 million bushels, which as hon. members know is a couple of hundred million bushels more than the largest figure reached in the last six years or so. I now find that I was wrong, and that the shipments will be of the order of 590 million bushels.

Some hon. Members: Hear, hear.

Mr. Sharp: I thought, in case anyone in the house should think I had misled them in any way, I should bring them up to date on these figures.

The second question, asked by the hon. member for Medicine Hat, had to do with our shipments under foreign aid. We do expect this year to make a very substantial increase in shipments of wheat and flour under foreign aid. I am not in a position to give the exact figures now, but they will be very substantial. This will restore the level at least to what it was before the previous government made very big cuts, and I am hoping it will not be long before we are able to reach the target which I stated previously, of about $40 million a year.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I think one matter should be corrected as far as the cut was concerned. We increased the amount very greatly after cutting it one year, so there was an increase during the period we were in office. The question I asked the minister was this. As a result of the conversations that are taking place between the U.S.S.R. representatives and the Canadian wheat board, has the U.S.S.R. given any indication that there is foundation for the suggestion by Mr. Khrushchev that further purchases are not to be expected?

Mr. Sharp: I can answer that about as well as I could answer a question as to how large the crop will be in western Canada this year. The Russians, like ourselves, are a bit uncertain.

Mr. Diefenbaker: That, of course, is not quite as direct as the hon. gentleman was when he was on his pilgrimage to Saskatoon on Friday. However, I think things look very hopeful since he has been there—for us.

I would ask him, though, is it a fact that there has been any indication by the U.S.S.R. that Mr. Khrushchev's prediction, if I may call it such, has some foundation?

Mr. Sharp: I had the opportunity, both going to and coming from Saskatoon, to have considerable discussion with the members of the Canadian wheat board, and they brought me up to date and said that the answers I had given to the right hon. gentleman during the week had been exactly right, namely that there is great uncertainty and that the Soviet union has yet to make up its mind. But may I add this, Mr. Speaker. I would like to offset the rather pessimistic tone of the remarks made by the Leader of the Opposition, because I know he is just as interested as I am in getting as high a price as possible for Canadian wheat. The sales prospects for next year, whether or not the Russians buy, are excellent.

Mr. Olson: A supplementary question, Mr. Speaker. I wonder whether the Minister of Trade and Commerce would undertake to allay some of the apprehension in the flour milling industry by making a forward announcement to the effect that with regard to this tremendous or substantial increase in foreign aid in the form of flour, the orders for flour will be placed immediately after July 31 when they have completed the Russian order. I might say that if there are not some further orders forthcoming, more than 50 per cent of our flour milling industry will be shut down.

Mr. Sharp: Mr. Speaker, I share the concern of the hon. gentleman about the outlook for the flour milling industry. I understand the situation very well, and I will be pleased to look into the suggestion he has made.

CITIZENSHIP AND IMMIGRATION

DELAY IN GRANTING CERTIFICATES TO CHINESE

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to address a question to the Minister of Citizenship and Immigration. It relates to the announcement made by the minister last week that he was going to appoint a commissioner to inquire into certain aspects of the immigration branch of his department. I wonder whether, in course

of considering the terms of reference for that commissioner, the minister would include a proviso that the commissioner also inquire into the inordinately long delay, ranging in some cases up to five or six years, which results from the process of granting people of Chinese origin their citizenship certificates?

[*Translation*]

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, I shall have a long statement to make to the house in a few moments when interim supply is brought in.

[*Text*]

UNEMPLOYMENT INSURANCE

INQUIRY AS TO IMPLEMENTATION OF GILL REPORT

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to address a question to the Minister of Labour regarding the Gill report on unemployment insurance. Is it the intention of the government to present this report during this session?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, we have several times stated the policy of the government with respect to the implementation of all or part of the recommendations of the Gill committee. If parliamentary time will permit, as the Prime Minister indicated in the debate on the address in reply, this is one of the matters which might be dealt with this session.

HOUSE OF COMMONS

INQUIRY INTO METHOD OF LIMITING ELECTION EXPENDITURES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Prime Minister whether he is having any difficulty in finding people to serve on the inquiry which he undertook to start into the practicable way of enforcing election expenditure limits?

Right Hon. L. B. Pearson (Prime Minister): No special difficulty, Mr. Speaker.

Mr. Fisher: A supplementary question. Would the Prime Minister then give us an explanation why it has been some four and a half months since he indicated that he would do this and we still have not had this inquiry?

[Mr. Howard.]

Mr. Pearson: Mr. Speaker, it will be done as quickly as possible. After all, there is a good deal of time between the present and the next election.

Mr. Lambert: What do you mean by "present"?

ADMINISTRATION OF JUSTICE

STEPS TO DEAL WITH REPORTED BANKRUPTCY RACKET

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Justice. In view of reports to the effect that a bankruptcy ring is operating a huge racket in Canada and that representatives of the superintendent of bankruptcy and of the attorney general's department of the province of Quebec have met to discuss the situation, and in view of public concern at these reports, would the minister inform the house what action is to be taken to deal effectively with this situation?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I suggest that this would be a proper question for the order paper.

BUSINESS OF THE HOUSE

REQUEST FOR ANSWER TO QUESTION ON ORDER PAPER

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I have a question for the minister of immigration. On June 3 I put down a question, No. 1,213, and I am wondering whether the minister is now in a position to answer it. I asked that it be answered verbally and it relates to his department, which has been under discussion for at least six weeks.

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, I am not aware of this question, but I will look into it.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Citizenship and Immigration what method he would suggest to the house to draw to his attention questions which have been on the order paper since June 3.

[*Translation*]

Mr. Tremblay: Mr. Speaker, we are trying to answer as soon as possible the questions asked on orders of the day. I think that our department has quite a good record in that regard.

[*Text*]

SHIPPING

IMPLEMENTATION OF COMMISSION RECOMMENDATIONS RESPECTING COASTING TRADE

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, inasmuch as there is great concern today at reports of royal commissions I am wondering whether I could ask the Minister of Transport when the government intends to put into effect the recommendations of the royal commission on coasting trade.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I believe there is a bill proceeding through the other place, if it is not already through—I have not looked at the order paper today—dealing with this matter. It is going to come here in due course. Some time between now and Christmas I hope we will deal with it.

ROOSEVELT-CAMPOBELLO PARK

ESTABLISHMENT OF COMMISSION TO ADMINISTER INTERNATIONAL PARK

Hon. H. J. Robichaud (for the Prime Minister) moved the second reading of Bill No. S-26, respecting the commission established to administer the Roosevelt-Campobello international park.

He said: Mr. Speaker, I wish to move second reading of Bill No. S-26 on the order paper in the name of the Prime Minister respecting the Roosevelt-Campobello international park. As hon. members know, this bill was read for the third time and passed by the Senate on May 28. May I be permitted to give a very brief explanation of the purpose of the bill.

This bill is designed simply to implement the international agreement signed by the President of the United States and by our Prime Minister in Washington on January 22, 1964. The purpose of this agreement was to establish an international park, symbolic of friendship between Canada and the United States, on the property on Campobello island, New Brunswick, which is so clearly identified with the late President Franklin D. Roosevelt. It was here that President Roosevelt was afflicted with the attack of poliomyelitis which impaired his physique from then on but which, however, did nothing to impair the indomitable spirit of courage which was the hallmark of his great service to his own country and to the world in subsequent years.

The agreement signed on January 22 in Washington by the President and the Prime Minister concluded months of negotiation between officials of the two governments, in consultation with the province of New Brunswick, where the property is located, regarding the best method for dealing with the generous offer made by the owners of the property, the Hammer brothers, to donate the house and adjacent grounds to the governments of Canada and the United States as a suitable memorial to President Roosevelt and as a symbol of friendship between these two great neighbours.

In May 1963, at the Hyannis Port meeting between the late President Kennedy and Prime Minister Pearson, the Hammer brothers made this offer public and, after communicating with Premier Robichaud, the two heads of government announced their grateful thanks for the offer in principle. The negotiations which followed led to the emergence of the concept of an international commission composed equally of United States and Canadian representatives to administer the proposed park to be established on this site. This concept is embodied in the January 1964 agreement which is annexed to the present bill as the schedule.

At every stage of these negotiations the government of New Brunswick was consulted, and the warm agreement of the New Brunswick authorities to the proposed arrangements was consistently given. I should add that certain aspects of the January agreement involved matters within the provincial jurisdiction of New Brunswick, particularly certain phases of the tax exemptions referred to in article 8 of the agreement. We have been informed that the New Brunswick legislature has already adopted the necessary legislation to implement those aspects of the agreement which fall within the province's jurisdiction.

Meanwhile steady progress is being made in regard to parallel legislation in the United States congress, and all concerned hope that arrangements will be completed in order that the commission may be established and the park opened to tourists as early as possible. Of course, until the necessary legislation has been adopted and the commission formed the title to this property remains with the Hammer family who acquired the property in 1952.

I would like to draw the attention of the house to one or two features of the proposed bill and of the international agreement which is attached as its schedule. It is intended to

establish an international commission comprising three representatives of each government, together with alternates, who would be responsible for administering the park. It is specifically provided in article 3 of the agreement that one of the Canadian commissioners is to be nominated by the government of New Brunswick and one of the United States commissioners by the government of Maine. Nationals of both countries may be employed on the staff of the commission, and of course the commission has been given all necessary legal powers and capacities to discharge its functions.

I would draw your attention, Mr. Speaker, to article 8 of the agreement, which provides that the commission shall be exempt from various federal and local taxes and, as stated, we have been informed that the New Brunswick legislature has already taken action under this article. Regarding admission fees for entrance to the park, the agreement leaves it to the discretion of the commissioners as to whether or not it would be desirable to impose such fees. However, the agreement specifically states that, if the commission decides to impose admission fees, "such fees shall be set at a level which will make the facilities readily available to visitors".

The remaining sections of the agreement and of the implementing legislation are, in my opinion, self explanatory. I should add that in the Senate consideration of this bill the proposed legislation was referred to the Senate committee on external relations where detailed consideration of the bill was given. Officials of various departments appeared as witnesses. In view of this I hope the house will agree that it would not be necessary to refer this bill to our own committee on external affairs.

Therefore I would like to close my remarks with the well-known words of the statesman whom this park is intended to honour. In his first inaugural address on March 4, 1933, President Franklin D. Roosevelt stated, "In the field of world policy I would dedicate this nation to the policy of the good neighbour".

Mr. J. Chester MacRae (York-Sunbury): Mr. Speaker, I would like to speak very briefly in support of Bill S-26 which, when passed, will establish a commission to administer the Roosevelt-Campobello international park. Franklin Delano Roosevelt, who was one of the greatest of the American presidents, came to this part of the country from the time he was one year old until 1921, and it was on this beautiful little island of Campobello that he contracted poliomyelitis. After his election as president of the United States he returned very infrequently, but he and his family always loved this island and his home on it.

As has been outlined by the Minister of Fisheries, this property was sold by the family in 1952 and for 11 years was in the possession of a private family in the United States, but in 1963 the owners of the property offered it to the governments of Canada and the United States as a memorial to Franklin D. Roosevelt.

I may add that there are other beautiful islands in this part of Canada, in the southwest corner of New Brunswick, such as Grand Manan, Deer island, the Wolves and others where perhaps the kindest people anywhere in Canada can be found. I know that when the hon. member for Victoria-Carleton speaks on this bill he will draw attention to the bridge which was built from Lubec to Campobello, linking the island with the mainland, during the time when he was the distinguished premier of New Brunswick and the right hon. Leader of the Opposition was the prime minister of Canada. That bridge has proven to be of great assistance to the people there, and it will help to make this memorial park one of the greatest tourist attractions in eastern Canada.

I join with the Minister of Fisheries and other hon. members who will be following me in supporting this measure to establish a commission to administer this memorial.

Hon. H. J. Flemming (Victoria-Carleton): Mr. Speaker, I rise for the purpose of expressing my great satisfaction that we have this bill before us today, a bill that brings about co-operation between the government of the United States and the government of Canada in contributing to a national shrine to a very great man, a very great friend of Canada and a great leader at a most difficult period in the world's history. I associate myself with everything that has been said by the Minister of Fisheries and the hon. member for York-Sunbury.

We may well express our approval of this measure, because this is one of the few times that the governments of Canada and the United States have jointly purchased property, this time for the express purpose of doing honour to the man whose home was on this island. This park, I am sure, will be a great source of satisfaction to the citizens of both our countries.

I have some personal knowledge of the events leading up to the signing of the agreement. A few years ago the governor of Maine came to Saint John, New Brunswick, to address a meeting, and he and I found ourselves in complete agreement that something should be done in connection with this property. Now, under this agreement, we will have a park established in honour of a very great man, a friend of Campobello island, of New Brunswick, of Canada and of the free world. I am sure the bill will receive the warm approval of every member of the house.

This little island is located in Passamaquoddy bay. It lies south in the province of New Brunswick and at one point is very close to the state of Maine. In fact it is so close that, as was mentioned by the hon. member for York-Sunbury, not too long ago a bridge was constructed with the co-operation of the governments of New Brunswick and Canada and the governments of the state of Maine and the United States of America. This really brings about the possibility of access by tourists to the home of this great man.

Those who have seen the play "Sunrise at Campobello" in one of the New York theatres will remember that the incident when the late president was stricken with poliomyelitis was vividly portrayed; but in spite of never again walking unaided the late president, as we all know, was elected four times to the office of president of the United States. He guided his country through the great depression, and he skilfully and resolutely assisted as much as possible and as quickly and as effectively as possible the struggle of the free world prior to Pearl Harbor and subsequently.

As has been said, the government of New Brunswick is co-operating fully, and I am certain that all Canadians will be pleased, particularly the residents of New Brunswick as well as the people of the state of Maine. The agreement contained in the bill provides that the commission accepts title to the property comprising the Roosevelt home and grounds. The commission is to take the necessary measures to restore the home as nearly as possible to its condition when occupied by President Roosevelt. The commission is to administer as a memorial the Roosevelt Campobello international park. As the minister very properly pointed out, of the six members who will comprise the commission one of the Canadian members will be nominated by the government of New Brunswick and one of the United States members by the government of the state of Maine, which seems to me a most excellent idea.

It is very pleasing to me to see that steps are being taken to maintain the summer home of a great president, that steps are being taken to provide that the administrative body shall be composed of representatives from each country, that steps are being taken to do honour to the great president who spent much of his young life and a portion of his mature life in this home, and that steps are being taken so that the public shall have the opportunity of visiting this international shrine. It is most pleasing to know that immediate action is being taken to carry out something that I feel will be in accordance with the desires of all citizens of the United States and Canada. Therefore I have a great degree of pleasure in indicating that I support wholeheartedly the substance of the bill, and I congratulate the minister on presenting it to the house.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, we share the general regard for the memory of the late President Roosevelt. One of the paradoxes of his career so far as Canada is concerned is that his popularity in Canada always tended to run ahead of his popularity in the United States. Around 1936, when his career was at its height in political terms, I made my summer living United States tourists, most of them prosperous industrialists or farmers from the corn belt in the middle of the United States. Needless to say they were almost all Republicans, and the comments they used to make about President Roosevelt actually shocked me. I almost thought it was treason that Americans, even Republicans, could think so little of a president.

This came to my mind not long ago during Easter week end when I was in Washington and happened to comment to an old Washingtonian about the fact that there were mobs at the Kennedy grave at Arlington, obviously a shrine, and mobs milling around the Washington monument, the Jefferson memorial and the Lincoln memorial. I said "It is hard to understand why Washington has not created or erected anything in memory of Franklin Roosevelt". I got an answer that might indicate that men who are dead sometimes have to wait for a rewriting of history. This man's answer was "Roosevelt made a lot of mistakes. After all, consider the way he behaved at Yalta. He sold us out to Joe". Then he went on to indicate that the United States has the problem of creeping socialism,

and that in some ways the late President Roosevelt was responsible for this.

I mention these points because it is so often the case that a great American is looked upon as a greater hero by people outside his country. I think this is especially true of President Roosevelt so far as Canada and Great Britain are concerned. I would hope that the very initiative and part that Canada is playing in this matter will be the beginning of what might be termed a popular return to the real level that we think President Roosevelt should be on in terms of his popularity and his reputation as, in my mind, the greatest of all United States presidents. I know that my colleagues share this very high estimate of the late president.

We think this is an excellent piece of legislation. We do not think Canadians can pay enough tribute to what the late president meant not only to the United States and the world but to his Canadian neighbours.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

Clauses 1 to 8 inclusive agreed to.

On the schedule—

Mr. Fairweather: Mr. Chairman, I want to ask the minister about the schedule. It is my understanding that in this regard the two jurisdictions are breaking new ground, and that for the first time title to property will be held by a commission. In other words the old bugaboo of sovereignty goes by the board, and a part of Canada is being vested in a creature of the parliament of Canada and of the house of representatives of the United States. Is this the way in which the property is to be held?

Mr. Robichaud: Yes, Mr. Chairman, I understand that this is the decision that was taken. The property will be held jointly by the governments of Canada and the United States and, as specified in the bill, it will be administered by a commission with the appointees named by the two governments.

Mr. Fairweather: Is this the first time that property has been held in this manner?

Mr. Robichaud: I do not know of any other instances.

Schedule agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read the third time?

[Mr. Fisher.]

Mr. Knowles: Now, by leave.

Mr. Robichaud (for Mr. Pearson) moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

SUPPLY

INTERIM SUPPLY

The house resumed, from Friday, June 12, consideration of the following resolution—Mr. McIlraith—Mr. Lamoureux in the chair:

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the said main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a (schedule C) of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

[*Translation*]

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Chairman, I know that hon. members wish to take advantage of this motion to discuss immigration matters, during this debate and I wonder if I could make a statement on that subject. I might say right now that my speech will be quite long. However, I am sure that it will enable the committee to understand my point of view on several important aspects of immigration and to clarify misunderstandings, even if certain points should normally be discussed during consideration of my department's estimates.

It goes without saying that I will welcome any question which may be asked here concerning my statement or any other point.

I believe that this budget motion will give me a wonderful opportunity to explain my vews with regard to that important sector of my responsibilities as a minister.

Mr. Chairman, the Department of Citizenship and Immigration has been lately the subject of sharp criticisms from some members of

the House of Commons and other people, with regard to its procedure concerning one aspect of immigration, deportation. As those critics are almost confined entirely to that particular aspect of immigration, they will probably give a wrong impression of the situation.

In order to put the whole question in its true light, to begin with I should like to set out the responsibilities and activities of immigration as a whole, and then to consider the very important matter of deportation, as well as the particular charges levelled against my department in that respect.

The Department of Citizenship and Immigration is entrusted, pursuant to an act of parliament, with two main responsibilities. It rests with it to apply a well-defined immigration policy and for that purpose it must activate the migratory movement, look after the applications for entry, the selection and consideration of a continuous flow of immigrants without sponsors; it must also help them on their arrival, find them a job when necessary, in addition to studying the cases of the large number of immigrants sponsored by relatives.

Immigrants arrive in Canada at an average of 2,000 to 3,000 per week. The second main task of the department is to make easier the controlled movements of non-immigrants in Canada. The latter include tourists, travellers, businessmen, etc. There are over 600,000 such movements per week and this task falls on the department. In view of the large number of people who come to Canada, we really get few complaints about the department's work.

Let us look now at the matter of deportations. They are relatively few. In 1963, for instance, an average of 30 deportation orders a week were issued; in 1964, when the number of immigrants increased considerably, in general the number of deportation orders per week remained practically at the 1963 level. There were a little fewer than 500 deportations between January 1 and April 30. Present criticism against the deportment's procedures is directed at about 20 of those cases. Far be it from me, while comparing that number to the total number of immigrants, to try to underestimate the importance of each person involved. After all, every person is important, and we must see that everyone is treated fairly and equitably. In many cases, an appeal is made to me as minister. I must personally settle some of those cases, and I can assure members of the house that I spend many hours looking into those matters concerning the welfare of the persons concerned. It is a heavy responsibility which is of constant concern to me.

Let us now examine the allegations made concerning—

[*Text*]

Mr. Diefenbaker: I do not want to interrupt the minister, but how many deportations did the minister say there were in 1963?

Mr. Tremblay: There were 30 each week; that is an average.

[*Translation*]

Let us now examine the allegations which were made concerning the way the department dealt with some deportation cases.

It is alleged, first, that certain departmental officials have refused to carry out the necessary practices provided by our Canadian legislation, by neglecting to summon before the court, at regular intervals, persons detained for deportation.

Second, that department officials have deprived individuals of a natural right, by refusing or neglecting to let them know that they were entitled to the assistance of counsel and by not allowing them to secure such assistance.

Third, that individuals are kept in detention for an unreasonable length of time, because of the indifference or unkindness of officials who, as has been implied, act in a bureaucratic manner toward such questions.

Mr. Chairman, we should put the question in its proper light, and that is what I intend to do right now.

Immigration to Canada is a concession and not a right. To be a Canadian, or to become one, is a great privilege which should always be considered as such. That fact is reflected in the immigration legislation and regulations. Canada has the sovereign right to determine who shall be authorized to enter our country and become a permanent resident and to prescribe the terms and conditions to be met in order to gain admission.

If we do not want chaos to prevail in matters of immigration, Canada must apply the control measures required to deport persons who, somehow, entered our country illegally. Here, Canada, is no exception. All countries consider it essential to control immigration, and I think it is easy to understand why.

Parliament has passed legislation to protect the Canadian people in regard to such matters, and it is the responsibility of the Department of Citizenship and Immigration to apply those measures.

I prefer to be criticized for complying with the rules of parliament rather than to be accused of neglecting my duty.

I shall not go into the details here, in respect of the statutory cases resulting in deportation, such as criminal activity, illegal entry, etc. However, I should like to explain the methods normally followed in procedures for deportation. There are several stages. Let us consider, for instance, what happens in the case of persons who elude the law and procedure required for those who enter the country surreptitiously—like ship deserters—or in any other illegal way.

When they are arrested, those individuals are no doubt subject to deportation after the necessary legal action.

The question of illegal entry should not be taken lightly, Mr. Chairman. It represents a serious problem and I have no doubt whatsoever that, at least in some areas, there are organized rackets in this field. That method of entry also allows for the infiltration of members of subversive and criminal organizations. My department and other agencies concerned spend substantial amounts of money and make every effort to maintain the problem within reasonable limits.

First, for instance, when a ship deserter is arrested after evading the law and illegally establishing his residence in Canada, he is normally put in detention—

[*Text*]

Mr. Peters: A new immigration smear.

Mr. Orlikow: Would the minister permit a question? He has made a serious allegation that it is possible that subversive organizations are involved in bringing people here illegally. The minister has a prepared statement and if we are to try to discuss this question which has been before parliament for a month or more we ought to have more than these veiled suggestions which really do not give us anything to work on; we ought to have some evidence of these supposed subversive organizations about which the minister has just talked.

Mr. Tremblay: I will finish my speech and after that I will be happy to answer questions by hon. members.

[*Translation*]

First, when a deserter from a ship is arrested after having evaded the law and illegally established his residence in Canada, he is normally detained, for obvious reasons.

Second, an inquiry is held with the shortest possible delay, as provided by law. May I recall that, on June 3 last, I announced having introduced a new procedure to ensure the elimination of any unjustified delay in the case of persons detained under the Immigration Act. I mentioned more particularly that each case will be reviewed every day, here in Ottawa.

Third, in each inquiry, the individual is asked whether he fully understood the object of the procedure, and whenever there are any language difficulties, he can avail himself of the free services of a competent interpreter. I know that unfavourable comments have been made about those interpreters. The hon. member for Winnipeg North (Mr. Orlikow) drew my attention to certain allegations in this respect.

I immediately ordered an inquiry. The interpreters were questioned and I can categorically state that, in those cases, the charges proved utterly untrue.

Fourth, in every inquiry the person concerned is informed in the clearest possible terms, of his right to a counsel's help. The government does not assume the lawyer's fees for the person involved. If that individual asks for counsel, which is frequently the case, the proceedings of the inquiry are suspended to give him time to retain a lawyer. That appears in the minutes of each case.

Various cases have recently been drawn to the attention of the house by hon. members who alleged that individuals were deprived of certain rights respecting their own defence. Investigations were carried out in certain cases and it has been established that those allegations were unfounded. Those individuals were told that it was not required for counsel to be a member of the bar—

[*Text*]

Mr. Orlikow: May I ask the minister a question?

The Chairman: The minister apparently wishes to complete his statement. He said a moment ago that he will answer questions when he is through. I suggest to the hon. member that if that is the position the minister is taking he should be allowed to complete his statement.

Mr. Orlikow: The minister can do it however he wants to do it, of course. I wish to say, however, that he has already made about five statements with which the information that some of us have is in complete conflict. If the hon. gentleman wants to be on his feet four, five or ten times in the next few days it certainly will not bother me. If he

would prefer us to ask questions now, I think that would save time, but the minister can take his choice. I just want him to know we intend to discuss this matter in some detail.

The Chairman: The minister wishes to complete his statement and I think he should be allowed to do so.

Mr. Diefenbaker: I think the minister should be allowed to read his statement without interruption.

Mr. Peters: I do, too.

Mr. Tremblay: I think it would be useful for me to do that because our discussion would then be in the right perspective when we come to it.

[*Translation*]

Then, in each case this is shown in the report. Recently the attention of the house has been drawn to various cases by some hon. members. They claimed that individuals had been deprived of certain rights concerning their own defence. Inquiries have been made in certain cases and it has been found that such allegations were unfounded. These individuals are told that it is not necessary for counsel be a member of the bar; he may be a minister, a priest, a friend or a relative.

Hon. members raised the question as to whether the government should provide, free of charge, legal services for the individuals concerned. I am keenly interested in this matter, which greatly exceeds the jurisdiction of my department, and I would like to study it more extensively.

Five, at the end of the inquiry, if deportation has been ordered, the individual in question is informed of his right of appeal to the immigration appeal board. He is also informed that he or his counsel may prepare written representations to be made to the appeal board, or that he may appear in person or be represented by his lawyer before the appeal board here.

Six, if he chooses to appeal, copy of the verbatim report of the special inquiry is forwarded to the immigration appeal board as soon as possible.

Seven, upon receipt of the verbatim report of the special inquiry, the appeal board sets a subsequent date for the hearing. The date will depend, of course, to some extent, on the number of appeals to be considered by the board.

However, in every case it is usual for the board to select a date at least ten days following reception of the notice, so that the appellant or his counsel can prepare the arguments or take steps to be represented at the hearings if he wants to.

Eight, the appeal board, after reaching a decision, advises the appellant and the immigration branch.

Nine, if the appeal is rejected, the immigration branch must take steps with a view to the deportation of the individual in question, unless there are strong humanitarian reasons to defer those steps. Such administrative action, in many cases, is not as simple as one might think.

The individual in question might very well have lived in Canada under a borrowed identity. He may no longer have any identification as to the place of his birth or his citizenship. Representatives of foreign governments in Canada will not grant travelling warrants or landing guarantees for the deported individual, unless his citizenship is certain, which often requires confirmation from the authorities of the country of origin.

The transportation company that is to take the deported person to the country of destination must confirm the identity of the person and the liability of the company in that matter, before accepting to supply transportation.

Then, final transportation arrangements must be made and they depend on prospects and arrangements over which the department has no control.

[*Text*]

It will be obvious to all that the various steps outlined above even when carried out with all possible dispatch will still require a considerable period of time to complete. I have already assured the house and I assure it again that I have taken steps to make certain that there is no undue delay in handling these matters.

At the same time I would not like this house to overlook one other frequent cause of delay in deportation cases. In order to give the person detained the benefit of extended consideration of any matter which may be in doubt, such delay is often of considerable duration, but I make no apology for it. Under the Immigration Act the minister has the authority to re-open inquiry proceedings if there is any substantial basis for belief that new evidence may be introduced which would have a bearing on the decision originally reached. Frequently, even when transportation arrangements have been completed, I or my senior officers are informed that additional representations are

about to be received from responsible agencies or individuals, including members of this house.

On the eve of deportation or even within hours of scheduled departure I have instructed the department to postpone deportation to allow consideration of the new material. If there is evidence in favour of the individual which might have a bearing on the decision reached at the inquiry, I will order the inquiry re-opened. On the other hand, if there is another element, for instance a strong humanitarian factor not previously exposed, I am always glad to review the whole case personally to determine if there are grounds to suspend deportation. Again I say that I make no apology for delaying removal in these circumstances brought about by the individual or someone acting on his behalf. As long as I am minister I shall ensure that I and the officials of the department do not act in a bureaucratic and arbitrary manner to remove anyone with undue haste, if there are valid reasons for reviewing the original decisions.

I have dealt, thus far, with those policies, practices and procedures involved in the process of apprehension, inquiries, appeals and deportation which require time to complete and which come under the jurisdiction of the Department of Citizenship and Immigration for administration. I should now like to mention another factor, outside the scope of this department, which has a bearing on the lapse of time between the start of deportation proceedings and their ultimate completion. It must not be overlooked that in gaining entry by stealth and remaining in Canada without authority, a person has committed an offence. The individual thereby makes himself subject to prosecution in the courts of this land established under provincial jurisdiction. While the immigration process is under way the authorities responsible for deciding whether prosecution will take place carry out their own investigation. Where a charge is laid, the matter then becomes one for disposition by the courts.

The scheduling of appearances in court or the handling of these matters before the court are not matters which come within the purview of this department and I do not feel it proper for me to comment on them. This is very important to understand: as soon as a decision is taken to press charges before a tribunal of provincial jurisdiction, I cannot, as Minister of Citizenship and Immigration, intervene in any way whatsoever.

[Mr. Tremblay.]

I would, however, like to say a word about detention under the Immigration Act, both as to the need for it and the procedures which apply to it so far as the courts are concerned. It is far from an over-all practice to detain all persons who may become subject to deportation proceedings under the Immigration Act. Many individuals are released on a cash or other form of bond, or in some instances on their own recognizance where the special inquiry officer is satisfied that they will respect the conditions of their release and report as required under the law. This is a matter for the considered judgment of the special inquiry officers, whose responsibility it is to ensure that the proceedings can be carried on to completion. Persons are not kept in immigration custody unless there are good and valid reasons for believing that they may abscond if released or that they present a threat to safety or to the security of Canada. As to immigration officials not bringing persons detained under the Immigration Act before the courts for review at regular intervals, the legality of the detention is always subject to verification by the courts, on habeas corpus. As hon. members are aware, this frequently happens.

The minister and the department are responsible for the administration of the Immigration Act. In these difficult cases which are currently before us, every effort is made to deal with them in a decent and humane way. I have been studying the system and considering it, however, during my few months in office and I would not claim that everything is perfect as it now exists. In my own view, for example, it is both desirable and urgent that consideration be given to making the decisions of the immigration appeal board final and not subject to ministerial discretion as at present.

Mr. Chairman, I would now like to comment on some of the regrettable allegations imputing misbehaviour on the part of immigration officials concerned with deportation proceedings. It has been suggested, for example, that officers have, by threats or promises, endeavoured to persuade individuals to furnish information on other illegal entrants or to coerce persons into admitting they are guilty of an offence under the Immigration Act. I have checked these allegations and have found no evidence to support them.

Before concluding, I would like to take this opportunity also to indicate the character of the planning going on at present in the immigration branch, better to enable them

to carry out the mandates of parliament. The government's program in immigration is a positive one—a greater volume of immigrants than in the past few years, and with higher selection standards. That requires a greatly increased effort to make the attractions of Canada and the opportunities here for immigrants better known. The immigration branch has in it many devoted, hard-working and capable persons, but the branch has been badly in need of planning and rearrangement that will better equip it to meet the tasks of 1964 and the years ahead. This is imperative even to keep up with present demands, let alone to meet any expanded program.

Such planning has been under way for several months. It involves a functional approach to the administration of immigration, not only at the headquarters in Ottawa but elsewhere in Canada and overseas. The divisions of the branch will correspond to the stages in the flow of immigration itself, beginning with policy and planning, moving on to a selection of immigrants, then to their reception and settlement in Canada, and finally to those exceptional but difficult problems involving enforcement of our immigration legislation here and including such elements as deportation and, on occasion, prosecution. With the branch reshaped in order to reflect each phase as it occurs, staff can be used to much greater advantage and many of the present difficulties eliminated.

Provisions will be made, among other things, for an active promotional program overseas to attract good immigrants and for more effective public information programs in Canada to explain immigration and to develop broad public support for the government's objectives in this field. The re-organization planned will involve a limited number of added positions and a reclassification of positions in order to attract and to retain people who can give service of the standards required. Additionally, the physical facilities for immigration in Canada, and especially overseas, badly need improvement since the offices where potential immigrants are dealt with are too frequently dull and unattractive. It is necessary that we make an effort to improve these conditions if our immigration program is to be really positive and productive.

Every procedure in attracting immigrants, in their processing, their selection, transport, reception in Canada, their placement, their settlement and whatever follow-up is necessary, will, it is planned, be sharpened and brightened in such a way as to ensure a favourable outcome to the government's effort to expand immigration, both in volume and in quality.

In connection with the questions put to me, either in the house or from sources outside, regarding a number of persons subject to deportation orders and in some cases held in detention because of criminal charges in connection with offences under the Immigration Act, I wish to announce that I am tabling individual reports giving all the pertinent facts about each such case.

[*Translation*]

Mr. Chairman, may I table those two documents, one in English and one in French, which represent the list of the cases which have been discussed here during the last few days?

[*Text*]

Mr. Peters: Now give us the report from the one-man commission.

The Chairman: May I ask the minister, what is the purpose of tabling these documents? Is he just tabling the documents so that they are available to hon. members who might want to consult them?

Mr. Diefenbaker: What do these documents contain? They must contain more than names.

Mr. Tremblay: All the facts in each case. They are a review of all the facts concerning each case which has been brought forward either inside or outside the house. It is to enable hon. members to have all the facts.

Mr. Peters: Read them.

The Chairman: If the hon. minister wants to table them so that they will become a sessional paper, this would have to be done with the Speaker in the chair. Is it agreed we do that?

Mr. Peters: We do not want them at all.

Mr. Orlikow: There may be some question about this. When will hon. members be able to get them and when will we have the chance to study these matters? Surely these documents should have been tabled days ago, if we are to discuss them sensibly now.

The Chairman: The only thing we can do now is to table them, I suggest at five o'clock, when the Speaker is in the chair. Is that agreed?

Some hon. Members: Agreed.

The Chairman: I would bring to the attention of the minister that his time has expired.

Mr. Diefenbaker: Let him go on.

The Chairman: Is that agreed?

Mr. Peters: No.

The Chairman: The minister does not have the unanimous consent of the committee to continue his statement.

Mr. Tremblay: I do have an announcement to make which is in answer to the hon. member for Skeena.

Mr. Diefenbaker: Before the minister gets to that question, one would like to see these documents which have been tabled to ascertain whether or not they should be tabled, or whether they are simply an exculpatory explanation of a case which has been before the house.

Mr. Tremblay: It is not an explanation. They just give the facts and the dates.

Mr. Diefenbaker: I see. With regard to the other question, I am sure that all of us in the committee are most anxious to have the minister give a full explanation, because the longer the explanation, I hope the more the committee will know.

The Chairman: That may be the position adopted by the Leader of the Opposition, but there are other hon. members sitting at the end of the chamber who are not agreed. I ask again whether hon. members give unanimous consent to allow the minister to complete his statement.

Some hon. Members: Agreed.

The Chairman: Then it is agreed.

Mr. Tremblay: Mr. Chairman, I thank my hon. friends. That is the end of my statement, but I now want to say that following a decision by the government the Minister of Justice and myself have secured counsel in the person of Joseph Sedgwick, Q.C., of Toronto, and my colleague has written the following letter to Mr. Sedgwick:

> This will confirm your appointment as counsel to inquire into the following matters and report to the undersigned and the Minister of Citizenship and Immigration.
>
> As you are aware, serious allegations have been made in the House of Commons and elsewhere in recent days that certain aliens have been unlawfully detained and deprived of access to counsel. In this regard I am enclosing the relevant copies of *Hansard* for the period May 25 to June 18. Other material respecting these allegations will be forwarded to you within a day or two.

[The Chairman.]

> The terms of reference are to carefully inquire into these allegations or any other allegation relevant thereto and to let us have a full report concerning the truthfulness of same.
>
> Apart from the specific charges referred to we should also like you to inquire into the general procedure now being followed in relation to the arrest, deportation and prosecution of persons who enter Canada or remain therein illegally. Your assessment of the reasonableness and correctness of these procedures should be included in the report, together with any recommendations which, in your view, should be adopted in this regard.
>
> You will appreciate that we would like to have your report at the earliest date possible consistent with the thoroughness with which we have requested that you inquire into this matter.

With your permission, Mr. Chairman, I now ask to table a copy of this letter with a translation in French.

The Chairman: Is that agreed?

Some hon. Members: Agreed.

Mr. Diefenbaker: Might I ask the minister this. Was this appointment made by order in council? If so, on what date?

Mr. Tremblay: No, it was a decision of the Department of Justice following upon a decision of the cabinet. It was a decision of the Department of Justice, acting on a resolution of the cabinet.

Mr. Diefenbaker: Do I understand the minister to say that the cabinet discussed this matter and then, without there being a formal order in council, the appointment was made by the Department of Justice?

Mr. Favreau: Mr. Chairman, if I may just explain this, cabinet dealt with the matter last Thursday, I think it was, and recommended that both the Minister of Citizenship and Immigration and the Minister of Justice retain counsel to proceed with whatever informal inquiry was required. Informal terms of reference were to be sent to counsel. This is not an inquiry under the Inquiries Act, at least for the moment. This is the retention of counsel both by the Minister of Citizenship and Immigration and the Minister of Justice for the purpose of inquiring into each of the matters which was dealt with or referred to in questions put in the house, with the instruction that counsel report to the two ministers, and also that he give advice on the procedure being followed, with whatever comments or recommendations counsel chooses to make. This may lead the way to a rather more formal inquiry, but it will allow us at least to obtain a ready and rapid answer to the questions which have been put in the house. It will also allow us, instead of having

the matter investigated and reported upon by the civil service within the department, to have the independent opinion of counsel experienced in these matters.

Mr. Diefenbaker: Does that mean that the independent viewpoint will cover the whole field of the department of immigration in connection with the procedures now followed, and that Mr. Sedgwick, Q.C., will be asked to make recommendations as to what changes, if any, should be made in the department of immigration to meet extraordinary situations or injustices which have been found to exist?

Mr. Favreau: I think the penultimate paragraph of my letter will cover that situation and answer the question of the right hon. gentleman in the affirmative. If I may be allowed to quote it, it says:

Apart from the specific charges—

That is, the charges relating to the specific cases mentioned in the house in the course of the question period and at other times—

—referred to we should also like you to inquire into the general procedure now being followed in relation to the arrest, deportation and prosecution of persons who enter Canada or remain therein illegally. Your assessment of the reasonableness and correctness of these procedures should be included in the report together with any recommendations which, in your view, should be adopted in this regard.

Mr. Diefenbaker: How are people going to have an opportunity to present their cases before Mr. Sedgwick? Is there going to be public notice given to anyone who desires to make suggestions or recommendations, and to point out cases that were not dealt with here—not charges as suggested in that letter, but allegations upon which questions were based? Is there going to be an opportunity for anyone to make representations to Mr. Sedgwick?

Mr. Favreau: As I just said, Mr. Chairman, this is not a formal inquiry under the Inquiries Act. Our first intention is to have Mr. Sedgwick inquire into the specific matters raised here and to place before him the types of procedure which have been followed until now in relation to arrests, detention and deportation. It has not been our intention, as in the case of royal commissions, that a formal notice be given, but I think the right hon. gentleman may be assured—and both ministers will make it very clear to Mr. Sedgwick in further discussions with him—that he is not to refuse access to him of any person who, knowing about and being concerned, like quite a few of the hon. gentlemen here, is interested in making representations to him. He should accept these recommendations as fully and as readily as possible.

Mr. Diefenbaker: I think the word "charge" is improperly used in the minister's letter. There were questions asked in the house based upon information available, and that is far removed from the word "charge" as used in the minister's letter. Being very frank about what has been done, I would ask the minister whether it is his intention to make the various reports made by Mr. Sedgwick available to the house? In other words, are they going to be tabled, or are we going to be told later on that these are matters purely for the Minister of Justice and the Minister of Citizenship and Immigration, and that we are not going to be able to see these reports?

Mr. Tremblay: Mr. Chairman, I want to reaffirm what I said last week, that this report will be tabled, will be available to all hon. members.

Mr. Brewin: Will the proceedings and matters that are brought to the attention of the commissioner be a matter of record so that those of us who are interested can see the facts and the representations made? I must confess that this sort of commissioner or counsel advising the minister falls far short of what I understand by a public inquiry. I am wondering whether the hearings will be public hearings so that the public can be satisfied that these matters are being adequately dealt with by the commissioner. Is there to be a formal record? Will members of parliament have a chance to hear what representations are made, and to hear the facts revealed to the commissioner as counsel for the minister?

Mr. Favreau: I want to make the position very clear and to repeat that this is not an inquiry under the Inquiries Act. Mr. Sedgwick has been appointed as counsel to advise the minister as to findings which he will make in relation to the allegations which are incorporated in the questions concerning the cases referred to here. I may add that we have gone further than that and we are asking him, again as counsel and as adviser to the minister—not as an inquiring officer reporting on a public inquiry—to assess the types of procedure that have been followed in the departments of immigration and justice with respect to the arrest, detention and deportation—and conviction, if you want—of

immigrants, in relation both to illegal entry and staying illegally in Canada, and in relation to other aspects of the application of the Immigration Act.

But in view of the fact that he is being appointed or retained as counsel and adviser to the minister—and he has a wide experience, as my hon. friend will know, in the field of criminal and penal law, and also has experience in the field of immigration—his report will be a report to the minister, in the same way as counsel whom we appoint, for instance, to advise us independently as to whether or not a prosecution ought to be launched, does not submit a public report. However, so as to make sure that the house will not be deprived of the knowledge of the advice which will be given to the ministers in this report, the Minister of Citizenship and Immigration and I agree that the report will be tabled. But I wish to repeat that although this is not a public inquiry, not only do I not see any objection but it is my firm belief that the counsel should receive and consider any representations coming from outside sources and from persons who are interested in the matters with which he is concerned.

Further, I do not see that this will be the final means at the disposal of the ministers concerned to make themselves completely conversant with details relating to these matters, but I believe very sincerely that this, being given to an independent counsel, will entail a greater measure of assurance on the part of the public, to the effect that it will be done in a very objective and impartial fashion. This is why we have chosen that method rather than a commission of one or two, or more, civil servants conversant with the cases, to make a report to advise the ministers as to what in fact has taken place.

Mr. Brewin: I recognize the high standard, calibre and experience of Mr. Sedgwick, but I wish to comment at some later time that I do not think this is the best form of procedure in the circumstances. But to be perfectly clear on the question, I would like an assurance that the advice Mr. Sedgwick is being asked to give is not confined to questions of arrest and formal orders of deportation, but also covers the procedure of special inquiry officers in respect to people seeking admission to Canada.

Mr. Favreau: This is very definitely included, because it refers to the whole procedure relating to the arrest and deportation, so that between arrest and deportation there is the whole range of the procedure before the inquiry officer. I may assure the hon. member for Greenwood that this is our clear intention.

Mr. Diefenbaker: Mr. Chairman, I want to clear up one thing with the minister. When the Minister of Justice uses the word "charge" in his letter it conveys only one connotation to lawyers, and I want it made perfectly clear that that word is not accepted as a description of what took place here in the house.

Mr. Favreau: Mr. Chairman, I do agree with the right hon. gentleman that the word "charge" must be used and interpreted in its lightest possible sense.

Mr. Fairweather: Mr. Chairman, it is an interesting afternoon because first of all we have had an apology by the minister for certain procedures, and at the end of the apology we have had an announcement of an inquiry by eminent counsel into the very procedures concerning which we have just had an apology. I feel it is too bad that the inquiry is to be restricted. I have followed with great interest the various questions and the explanations made by both ministers with regard to what the Minister of Citizenship and Immigration referred to last Thursday, June 18, as the investigating commissioner.

Mr. Tremblay: On a point of order, the word "commissioner" has been used in the English translation but the word I used in French was "officier" and that has been translated as "commissioner". I have never used the word "commissioner". I have used the word "officier".

Mr. Fairweather: I thank the minister for his explanation. I had wondered about that. Nevertheless it points up the fact that Mr. Joseph Sedgwick, Q.C., whatever his title may be in the French or English versions of *Hansard,* will have to have the widest possible scope in his investigation. I am also glad to know that a committee of parliament will have his full report before them in order that they may study it. Then we will get down to the semantics of the word "charge" and so on as used by the Minister of Justice.

Mr. Tremblay: On a point of order, Mr. Chairman, I said in the house that the report will be referred to the house. I think it was the hon. member for Royal who asked me to which committee the report would be referred. I said I would be very glad to table the report in the house, but that it would be up to the house to decide which committee, if any, would study the report. The undertaking we made was to submit the report to the house.

Mr. Brewin: I wonder whether I could ask the minister a further question arising out of that. Does the minister not think that there is some obligation on him either to find out what committee will look into this or to recommend a special committee being appointed? In my view the fact that a committee of the house is taking hold of the whole matter is far more important than the appointment of any number of eminent counsel from outside.

Mr. Fairweather: Mr. Chairman, I hope my time is not running while the ministers are consulting each other.

The Chairman: I wonder whether we are still on the point of order raised by the minister?

Mr. Fairweather: Mr. Chairman, if Mr. Sedgwick's report is not to be referred to a committee of the house, then this is a lot of nonsense. We are wasting our time and we might as well go on to something else. It would be a grave breach of faith on the part of the minister if he were to drop the report on the table of the house and then allow it to lie there in limbo. I want to know what committee of the house the report will be referred to, and I asked this question last Thursday. It would be a shocking thing to have Mr. Sedgwick do this work and then have the report lie on the table. Is the minister going to answer me?

Mr. Tremblay: Mr. Chairman, in answer to the hon. member for Greenwood—

Mr. Fairweather: I want an answer.

Mr. Tremblay: —I will try to see which committee will be best suited to receive a report of this kind. On the other hand, as I said, it will be up to the house to decide which committee and at what time this report will be studied in a committee. It is not the business of the minister to decide or to announce to the house what committee will study this report.

Mr. Fairweather: Now we have a qualification. The minister now says that it is up to the house to decide which committee. Therefore I assume that there will be a committee and that the report will not just lie on the table of the house. If I may make a gentle suggestion to the minister, the very reason he stands here today making an apology is that he has been less than candid in his answers to the questions that have been quite properly asked by members over the last few weeks. The minister is taking refuge behind the law. The Hooper case is not within the law. There is no statute that says a man should be in jail for 90 days under these circumstances. The Vergakis case is not within the ambit of the statute.

I appreciate that it must be agonizing for the minister to reflect on some of these human problems. He says that he spent long hours reflecting. I assume Mr. Hooper had lots of time to spend long hours reflecting while the minister was reflecting. We were told that this whole thing blew up because of an administrative breakdown between Toronto and Ottawa. There are members here who seem to be able to travel between Ottawa and Toronto in a very short time any day. The problem is that the officers on the spot are not making decisions and the whole mass of detail has to be referred to the monolith here in Ottawa.

Last week the Ontario minister of reform institution set out a formula—I think this is a very forward step—that he directed to all governors of jails and other institutions within his constitutional jurisdiction. The purpose of the formula is to acquaint people with their rights. The minister, Mr. Grossman, said that because of the constitution he could not interfere with the candidates for jail of the Minister of Citizenship and Immigration but at least he could let the department know regularly how long these people had been in these institutions. I hope that the Ontario formula will be followed right across the country so that the ministry of justice and the ministry of immigration in Ottawa will be able to take action when they receive information as to long and inordinate delays.

We were told not too long ago that we would be considering policies to excite the daring. Yet this afternoon we had a long explanation involving a backward step, so far as any such policy is concerned. In my opinion undue detention in jail is an intolerable thing and I say that the minister should be candid enough to admit the error and tell us what procedures he is going to take so that this kind of thing will not happen again.

Before interim supply is granted and we return to the consideration of what I like to term the artificially manufactured issue of the flag I should like to say one or two specific things about some departments of government and the policies they are pursuing. If it is the habit to speak in context or within certain guidelines, I want to do so in the context of the remarkable document published in *Forum* and also conjointly in *Cité Libre* in May of this year by a new

group of seven. Like the group of seven who gave a distinctly Canadian aspect to painting half a century ago, I submit that if we follow some of the policies of today's group of seven we can give a Canadian concept to some of the issues facing us.

It still continues to amaze me that parliament, after it regurgitates the platitudes of debates on the speech from the throne and the cliches of budget debates, hardly ever gets the opportunity to debate on-going policy at all. I should like to refer to a remarkable talk at the Canadian conference on the family a couple of weeks ago by Dean Kaspar Naegle. He is a rather remarkable example that all immigrants are not bad, because this dean of arts of the University of British Columbia spent some time in a prison camp in Canada courtesy of the government during the last war. He reminded those of us who had the privilege of attending the conference of the stricture of T. S. Eliot, "Go, go, go, said the bird: human kind cannot bear very much reality."

Now, Mr. Chairman, I am afraid Canadians cannot bear very much reality, either. All of us here must take some responsibility for the truth of the Eliot adage.

In the manifesto which is entitled, "An Appeal to Realism in Politics", the authors condemn the indifference of the public and private sectors of our society in the face of many problems. The authors say:

> We declare our disagreement with most of the panaceas at present in vogue among our politicians.
>
> Canada, today, is a country in search of a purpose. Emphasis on regional interests and the absence of leadership from the central government risk the utter disintegration of the federal state.
>
> In the present context of Canadian politics, it is necessary above all else to reaffirm the importance of the individual—

This is a nice, old fashioned Tory adage.

> —without regard to ethnic, geographic or religious accidents. The cornerstone of the social and political order must be the attributes men hold in common, not those that differentiate them. An order of priorities in political and social matters that is founded upon the individual as an individual, is totally incompatible with an order of priorities based upon race, religion or nationality.

I think we should all read this manifesto and take a good deal of it to our hearts. In this context I wish to make an appeal to the minister of citizenship and, I say this modestly, I hope it may help him in some of the unpleasant aspects of his department's policy. I do not hold any brief for Mr. Hooper who recently spent 90 days in the Toronto jail because of what I suggest is an exasperatingly typical phenomenon—a breakdown in administrative communications. This case need never have reached the stage it did if two basic policies had been followed: One, the local officials in the department should have been able to make decisions, rather than refer every detail to Ottawa; two, counsel should be provided for everyone charged with a breach of the Immigration Act. This latter policy, in my opinion, should be followed in all cases coming under the Criminal Code or federal statutes. This would assure equal justice before the law.

Just the other night I had occasion to speak with a counsel in this city who gave up two weeks of his time to defend a person accused of a very ugly murder. This counsel did this because he had been asked to do so. I believe that in these capital cases the state should look after the counsel fee. This is now the case in the United States. We seem to like copying everything else they do, so it is time we copied this formula.

At the moment the minister is considering what action can be taken against the Greek citizens who admittedly have come to Canada illegally. In some instances they have lived here four or five years, have married and have jobs. If their only offence is illegal entry I submit that in the name of humanity, if for no other reason, the minister should exercise his discretion and permit these people to stay in Canada. I like the type of man who will try to get into this country illegally. I think he has a great future here. It shows a great amount of zeal and daring, qualities which the Liberal government professed to have a year ago but which seem to have been forgotten.

On May 1, 1947, prime minister Mackenzie King said in a debate in the House of Commons that it is not a fundamental human right of any alien to enter Canada, it is a privilege. As a matter of fact, the minister echoed those words today. This classic policy statement was made 17 years ago. I, of course, had not spoken when the minister did, but I think this statement could stand re-examination. By this I mean no criticism of evolving and widening immigration into Canada. I realize that a great educational process is involved and that attitudes must change. However, I am bold enough to believe that we who live in this opulent land in the western world can no longer smugly say that we have a fundamental, God-given right to this land, irrespective of the needs of our brothers in this world. In my opinion, this is the philosophy of 1964 and not one expounded

17 years ago by Mr. Mackenzie King. The hungry and the wretched in the world are not impressed by Mr. Mackenzie King's narrow strictures. Perhaps while rights are being glibly exhorted in this world, a part of mankind will take up the slogan and adopt it.

Let these people stay in Canada. By their illegal entry, they have already exhibited the qualities of initiative and enterprise which should be useful to all of us. Here I should like to thank the minister for a letter handed to me just before this debate began. For over a year now, the social service council of the Anglican church of Canada has been trying to arrange with the immigration department, as an indication of our concern, the admission of 50 Hong Kong boys to Canada. These boys would be sponsored by and live with Canadian families. They would be given a chance to continue their education, either technical or otherwise. I know the minister views this plan sympathetically, and I am grateful to him for that. He, himself, has been to Hong Kong to check on the administrative procedures there. I earnestly request him to announce soon that his department will agree to this very modest proposal. We had hoped the boys could be in Canada during the early fall of this year so they could continue their education.

Now, Mr. Speaker, I should like to deal for just a minute—I see it is five o'clock. Will I continue with my observations on interim supply?

The Chairman: Order; it being five o'clock, it is my duty to leave the chair in order that the house may go to the business listed on today's order paper as private members' business.

Mr. Deputy Speaker: In committee of supply, the Minister of Citizenship and Immigration (Mr. Tremblay) referred to certain documents he wished to table. Does he have leave now to table these documents?

Some hon. Members: Agreed.

VETERANS AFFAIRS

HONG KONG VETERANS—REQUEST FOR SPECIAL MEASURES TO ALLEVIATE DISABILITIES

Mr. D. W. Groos (Victoria, B.C.) moved:

That the standing committee on veterans affairs be empowered to consider the particular circumstances of Hong Kong veterans and to report their opinions and observations as to the special measures that could be undertaken to alleviate the disabilities resulting from the Hong Kong veterans' internment as prisoners of war.

He said: This is not a very complicated measure. I put forward this motion because I am concerned about the lives and the livelihood of upwards of 1,200 Canadian army veterans who served just short of four years as prisoners of war in the Far East.

The men on whose behalf I speak in this house are the Hong Kong veterans and they are the survivors of two Canadian regiments —the Winnipeg Grenadiers and the Royal Rifles of Canada from Quebec city who, together with their brigade headquarters, were sent from Canada to Hong Kong in the closing days of 1941. As we all know, they were subsequently captured and imprisoned and, because this was so, perhaps this is a chapter in Canadian history which some of us would like to put out of our minds. I submit this is something which we cannot do. These men survived almost four years of prison camp life of a type unique in its severity. It was a time of trial for which they were not and could not have been prepared. The figures tell us something of the story. Of a total strength of less than 2,000 men, 228 were killed in the action which preceded the fall of Hong Kong. A further 19 died of wounds resulting from this action and 277 more died in prison camps. In addition, I calculate that another 150, or at least 10 per cent—the figures are not too clear—have since died. I suggest this is a high proportion, considering the age of these men.

I am a veteran and I take the view—I think it is shared by a great many other veterans—that a man has little claim on his country because of what might have happened to him when he was in uniform, but I do earnestly believe that the nation owes at the very least a decent life to veterans who did suffer lasting damage as a result of service in their country's cause. I am sure I can convince members of this house that there is ample evidence to suggest that the Hong Kong veterans, all of whom were prisoners of war, did suffer a great deal during their imprisonment and that they do continue in many ways to feel the effects—the lingering effects—of their imprisonment. Indeed, I believe we owe it to these men to pass the motion now before the house in order that we may establish the facts; in order that we may show these men that we are interested in their difficulties and are prepared to grapple with their problems, and if the existence of those problems is confirmed by the investigation, we must make it clear that we are ready to discharge the nation's responsibility.

The number of prisoners involved in this motion is comparatively small. I am told there are about 1,250 Hong Kong survivors still alive. Most of them are easy to trace, because about 90 per cent of them are in receipt of disability pensions of one kind or another. In spite of their comparatively small numbers there has never been, as far as I can find out, since 1946 a thorough canvass made of these veterans to investigate and analyse their situations, although a sampling was taken in 1950, 14 years ago. I think such an analysis would be revealing. What is disturbing to me is the likelihood that we know little about the after effects and side effects of the type of imprisonment these men endured. For example, there seems to be a disproportionately high number of these men suddenly passing away at an early age without giving any indication that they were ill. The death rate is higher than in the case of a comparable age group. I am advised that one out of every 19 of the Hong Kong veterans who were repatriated is now blind, and that there are many more who have suffered severe eye trouble. It cannot be doubted that this is an unusually high proportion. I think it must follow that the possibility of such things happening has had a disturbing effect on these men. Again, I am told that one out of every five of them is suffering from some degree of hypertension, a dangerous disease of the heart. Although nine out of ten of them are in receipt of disability pensions, as hon. members know, unless a man has been receiving a disability pension to the extent of at least 48 per cent there is no provision for any payment to survivors. I am told that three out of every four of these veterans are in this category, receiving less than 48 per cent disability pensions. So it is no wonder they are worried. I think there are few of us in this house who would not be worried in similar circumstances. And their worry increases each time they hear of another early or unexplained death or disability among their comrades.

If the house, having considered the matter, would agree to pass this motion, I think we shall have taken a step in the direction indicated by the committee on veterans affairs which last year in its report dated December 12, 1963, recommended to the house the following:

In view of the special problems that time and experience have revealed concerning the Hong Kong veterans, this committee urges that a special study and survey be made of their problems and particular disabilities.

[Mr. Groos.]

When this motion is passed I hope the veterans affairs committee will see that such a survey is made. Before entering the house today I was informed that the Canadian pension commission is being authorized to undertake the kind of survey to which I have just referred. I was of course pleased to hear this, since it was in order to encourage such a course that I placed my motion on the order paper last February. However, I do not intend to ask that my motion be withdrawn. I feel that the two proposals—mine, and that of the veterans affairs committee—are complementary and I should like to feel that the members of this house through the committee on veterans affairs would have a hand in directing the course of the survey suggested. If I had my way I would recommend that the survey be not just a sampling, as it was in the past. After all, there are only about 1,200 veterans involved and, as I said before, these men are not hard to find. I think this survey should deal not only with purely medical matters, but that it should extend into the realm of livelihood—the difficulty of maintaining a home, making a living, and so on.

I see that in the past there has been some difference of opinion between the Department of Veterans Affairs and the Hong Kong veterans association with regard to some of the questions which were discussed by the committee last year. When such differences exist, it is, I believe, our duty as members of parliament to find out beyond doubt which side is correct.

The committee last year was presented with a brief by the Hong Kong veterans association which indicated that the very serious lack of food and vitamins, and the general ill treatment suffered by these prisoners produced long hidden side effects which did not disappear when the men affected were outwardly restored to health. These side effects, as I must call them, seem to me to fall into four main categories; there is acute nervousness, heart conditions of one sort or another, trouble with vision, and fatigue. I should point out here, Mr. Speaker, that not all, or for that matter any of these troubles, apply to all Hong Kong veterans; there are some who have been completely rehabilitated and show no evidence of after effects from their wartime experience. But this should not blind us to the unpleasant fact that there is good evidence that an abnormally high number of these veterans are unable to hold on to their jobs in this competitive world. Too many develop serious eye troubles and too many,

as I have said, die suddenly at an early age, leaving behind them wives in their early middle age, and young children.

I was advised only yesterday that in Vancouver, where there are fewer than 200 Hong Kong veterans, three more have died within the past two months, and all three were under the age of 47. These are some of the Canadian youths who volunteered for service in their late teens and early twenties. Mr. Speaker, anyone who like myself, witnessed the return to this country in 1945 of prisoners of war from the Far East will agree with me, I know, that their appearance and their stories of their treatment as prisoners of war will not fade from our memories no matter how long we live.

Before putting forward this motion today I have satisfied myself that we do have a problem here and that it is the responsibility of this house to set matters straight. I have had some difficulty in gathering the facts supporting the motion, but I have had considerable assistance from members of the Hong Kong veterans association, to which I have referred, from the Department of Veterans Affairs and from a group of students at the University of Victoria in my own city of Victoria, B.C., and I would like to thank them for their help. I now seek the approval, the wholehearted approval, of the house for this notice of motion.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, it gives me great pleasure to back this motion of the hon. member for Victoria (B.C.) (Mr. Groos). The Hong Kong veterans are a really unique group in one particular aspect, I think. Although we had many prisoners of war in Europe, this group of prisoners was held for over four years under very, very inhuman conditions. I have known some of these veterans myself and I think there is one aspect of their service which I do not want to dwell on too long but which I think is rather unique in this respect. The Canadian soldier generally was well trained, and part of a soldier's training, I think, is to toughen him up so that when he is given the shock of war, the shock of battle, he is mentally prepared for it. A good many of these Hong Kong veterans were shipped over to Hong Kong with very sketchy training indeed, and I would submit that under these circumstances they would go into battle, and into prison, green and scared. I do not mean they would be scared of battle, because Canadian soldiers are magnificent troops, but I think this aspect of being untrained and not prepared for the shock of war had a decided effect in hurting their morale. They felt right from the start that they had not geen given a fair chance to prepare themselves for battle and for prison camp. In addition to that, they were held prisoner in the tropics on the most disgraceful rations you have ever heard of; in fact, some 5 per cent of them have become permanently blind, not to mention the very large number who died under the prison camp conditions. The boys who survived were the toughest of the lot; they were able to stand four and a half years of starvation rations and oriental brutality. As I have said, this bad morale contributed to their mental problem in thinking that they had been somewhat let down by the Canadian people who sent them over there.

Here we have an opportunity to undo, even at this late date, some of the harm that we did to these young men. One of the difficulties, I believe, the pension commission has come up against has always been our very sketchy knowledge of the main disease suffered by these veterans; I think you would call it a disease. They suffered from a vitaminosis, which I suppose in lay language means being starved to death or to near death. The layman who does not know anything about it says, "Just feed him and he will make a complete recovery"; and some of them have apparently made a near complete recovery. However, I do not think very many of us here could face four and a half years of prison diet and the terrible morale conditions that existed in those camps and expect ever to make a really complete recovery.

These veterans die young. This is one reason—and I am quite sure the hon. member for Victoria (B.C.), will agree with me—why we should give these boys every consideration and should take full advantage of section 70 of the Pension Act, which says that the benefit of the doubt should be given to these veterans in every case. They will not come and ask for help unless they need it. I have known some of these veterans personally. When they came back, although their sight was bad and they could hardly read, they went back to school. I know of one case—I will not mention him by name because he would not want me to do so—where the man went right through university and became a dentist. He was struggling along, often at the bottom of the class, and it was very difficult for him to make his grades. When he joined the army he was top-rate in intelligence and stamina and I would say that if he had gone to university

then he would have stood at the top of his class, instead of being somewhere near the bottom. The only reason he ever did graduate was that he had that same grit and determination which is only too typical of these boys who have tried to rehabilitate themselves under great difficulty after returning home.

The evidence which I have to go on to assess whether or not they are 50 per cent pensioners—and that is what these boys want; they want to be entitled to a 50 per cent pension, particularly because this gives coverage, as was mentioned by the previous speaker, to their widows or orphans—is this: These boys are dying young. Just because we cannot state a special reason for their death and say they died of this or that disease, we know it is because they were prisoners of war in these camps. I know that the pension commission wants to treat all veterans in the same way, and some objection has been taken to calling them Hong Kong veterans. It has been suggested that perhaps they are asking for something special. I claim they are not asking for anything which we would not give to any other veteran under the same circumstances, because one and all they were prisoners for the same length of time. I think it is quite safe to group them together in this way and say that any man who spent four and half years in a Japanese prison camp is only 50 per cent effective physically.

I do not believe that any one of these men could go, for instance, to a lumber camp, work alongside other men who had not been through this struggle and be, say, any more than half as good. The whole principle behind giving pensions to soldiers has been based on their ability to earn their living with their own hands. We have never suggested that we should compensate a soldier for the loss of a great career on the stage, a career in law or medicine, or something like that. We have always said that we would compensate them in relation to helping, say, their fathers on the farm. If a man is able only to take care of the horses or to saw boards in the bush, we would give him 50 per cent pension. The fact that he is still six feet tall is irrelevant.

From personal knowledge of these men who have come out of these camps, having worked alongside them, I submit that they are no more than 50 per cent physically effective. If they were to come forward, either individually or as a group, and were able to say that there is plenty of evidence to show that Hong Kong veterans are no more than 50 per cent effective in terms of physical ability, then I do not think there is any argument against this proposal. The main evidence before the pension commission has always been that of Dr. Crawford, who was in one of these camps himself. He personally is a magnificent specimen of physique. He has tremendous mental stability, which is doubtless shown by the fact that he is still able to carry a tremendous burden as medical adviser to the department. But I do not think we could use a man like Dr. Crawford as the criterion. Our job here is to deal with average men. We do not look for physical or mental giants when assessing the ability of the average soldier to stand up to this terrible ordeal. Therefore I think we must go further afield than a case like Dr. Crawford—and I am not being sarcastic in saying that. He is the hero type. He has been a hero in the way he has rehabilitated himself, and the contribution he has made since the war. I am not trying to cut these other fellows down, but the average man cannot be expected to put up with what these fellows put up with and come through with flying colours.

I think there is evidence which could be produced when this commission or board is set up. I think we could go to the Japanese themselves, now that the war is over. I am sure the Japanese must have had thousands and thousands of prisoners from other nations, and even their own, who were treated in the same way. Perhaps there is medical evidence to be found in Japan of this same disease from which our Hong Kong veterans are suffering.

I am very pleased to hear that some notice has been taken of our plea in the veterans affairs committee to set up such a commission, as asked for by the hon. member for Victoria (B.C.); and I am sure there are other hon. members who would like to say a few words about this. We certainly do not want to talk this measure out. If it is only a question of spending a little money to make a proper survey, I would certainly recommend such expenditure. I would go further and say that if we are to take section 70 of the Pension Act at face value it would be no crime against the Canadian taxpayer to give the benefit of the doubt to any of these men who spent four and a half years in a Japanese prison camp, and to give them an entitlement to at least a 50 per cent pension, thereby protecting the wives who have stood by them all these years, and the children who make

it difficult to get along with a reduced scale of living. Because I submit these boys are just not capable of earning a living 100 per cent with their hands.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I rise to give support to this motion which has been proposed by the hon. member for Victoria (B.C.) (Mr. Groos). I believe it to be a very worthy matter deserving of the support of every hon member in this house. I personally know many of the veterans who came out of the Hong Kong affair, and I know something of the problems faced by practically all of these men. Likewise it has been my privilege to visit the cemetery in Hong Kong and to thoroughly explore the actual locations where the fighting took place, where many of our Canadian boys gave their lives and where many of those who are still with us were taken prisoner. I have seen some of the projects they were forced to work at through compulsory labour, before many of them were moved to Japan and other parts. In fact, when one lands on the runway at Hong Kong airport today he is landing on top of rocks carried there by the hands of many of these Hong Kong veterans during their period of compulsory labour while detailed in Hong Kong prison camps.

All of the Hong Kong veterans at the time of their return from imprisonment showed the adverse effects of their experiences in varying degrees. The treatment and care which has been given them subsequently has in many cases rebuilt physical bodies, and restored health at least in some measure. But one of the most difficult aspects of being able to judge just how much disability is involved as far as these veterans are concerned revolves around the fact that many of their disabilities cannot be measured as the normal disability from the effects of war is measured. It is comparatively easy to categorize a man's pension rights from the loss of a limb or other physical disability, but in the conditions under which these men lived for four and a half years they often broke down psychologically and physically in a way upon which it is very difficult today to place a measurement. Therefore it is my opinion that every one of the Hong Kong veterans is deserving of some kind of pension remuneration, and we should be thinking about this while we still have a sizeable number of them with us. Because they are rapidly leaving the scene.

I have before me a statement which was part of a brief presented to the Minister of Veterans Affairs (Mr. Teillet) by the Hong Kong veterans association. It concerns the increase of pension and the entitlement to medical care for these veterans. One statement in the brief impressed itself upon me and I would like to share it with others. It is as follows:

> The psychological stresses to which Hong Kong veterans were subjected during their period of imprisonment were severe and long continued. Four years of rough treatment, beatings and constant threat of torture in many forms, stress of undernourishment, inadequate clothing along with forced labour under intolerable conditions, have left hidden personality scars which continue to lower these veterans' ability to adjust into normal civilian life. Even cursory observation of many of these veterans today will verify the permanent damage that was suffered under deplorable conditions experienced by no other prisoner of war.

This brings me to the point that it is not only the physical problem which these veterans face but also the psychological and mental problems, which represent even a greater difficulty sometimes than physical incapacity. They are not requesting any special treatment. If there is any group of veterans deserving of our consideration, I believe it is this group. What they have asked for is reasonable and should be considered. There would be no better way for these things to be brought into public focus than to permit the veterans affairs committee to undertake a study of not just a few but, as has been mentioned by the mover of the motion, of as many as possible,—in fact of all the veterans, in order to determine accurately what our responsibilities are to them.

I should like to outline some of the things these veterans are seeking. First, they are asking that present pensions be reviewed for all Hong Kong veterans. They are also asking that a revival of the survey started in 1950 be undertaken, and that there should be a yearly regular check-up of every individual. They are asking for the supplying of eyeglasses, and dental care without question. They ask for a study of the effects of avitaminosis and other diseases which they developed as a result of dietary deficiency. They ask for a study of the effects of beri-beri, pelagra and dysentery to establish without question the connection between them and their present disabilities such as optic atrophy, cardiac deficiencies, nerve destruction, stomach conditions, etc.

They are also asking an award of a minimum 50 per cent of pension for residual effects of avitaminosis to every ex-Japanese

prisoner of war. The previous speaker mentioned that it was not fair to condemn them for seeking special privileges over and above other prisoners of war. It would be very easy to categorize all prisoners of war in the same class, prisoners who went through similar situations whether out of Hong Kong or some other place.

These men ask that all Hong Kong prisoners of war be given complete entitlement to normal pension provisions. I believe these are very reasonable requests. Therefore on behalf of this party I give our complete support to the motion and hope it will be passed by the house so that the veterans affairs committee may make recommendations covering these prisoners. In fact, I find it difficult to understand why this problem has been passed over for so many years. Therefore I would urge the house to permit the passage of this motion today.

Mr. Robert Temple (Hastings South): Mr. Speaker, I rise in support of the motion presented by the hon. member for Victoria (B.C.) (Mr. Groos). The hon. member for Athabasca (Mr. Bigg) quite correctly referred to the fact that these troops from the Royal Rifles and the Winnipeg Grenadiers went to Hong Kong in 1941 without top level training. There is something else that should be pointed out, Mr. Speaker, and it is that the Hong Kong contingent was entirely without any mechanical transport.

The majority sailed on the *Amatea*, a British naval transport, on October 26, 1941. Originally it was intended that the force be supplied with 212 motor vehicles composed of 45 motorcycles, 6 Ford cars, 57 universal carriers, 63 15-cwt. trucks, 2 15-cwt. water tanks and 39 3-ton trucks, but due to various administrative difficulties none of these vehicles arrived at the docks in Vancouver until October 27 and 28 when the *Amatea* had already sailed, along with H.M.C.S. *Prince Rupert*, an escort vessel, which carried four officers and 105 other personnel.

What happened then is history. All the vehicles were loaded on the *Don Jose*, an American freighter, which set sail on November 4, 1941, bound for Hong Kong, but was re-routed to Manila and authority was subsequently given by the Canadian authorities to have these vehicles used by American troops. It may seem, Mr. Speaker, that I am digressing a little, but I think there is a lesson to be learned from this, and I am happy to see that in the white paper on defence, and in the all party special committee on defence, matters like this are under consideration, so that we shall have transport available for highly mobile forces in future.

The casualties suffered by the Canadians in Hong Kong, due to fighting, and later malnutrition and the cruel treatment they received, were very heavy indeed. As a matter of fact, the losses from December 8, 1941 until December 25, 1941 were very heavy. At brigade headquarters five officers and 16 other ranks were either killed or died of their wounds, while in the Royal Rifles seven officers and 123 other ranks were killed or died of their wounds. Fatal casualties among the Winnipeg Grenadiers totalled 11 officers and 128 other ranks. But this is only part of the story.

They then suffered further harrowing experiences. Until 1943 they were all kept in prisoner of war camps at Hong Kong, and as a result of the deplorable conditions there four more officers and 124 other ranks died. It is of interest, as was pointed out by Colonel Stacey, in his official Canadian war history, that the losses would have been much more severe except for a very ironical situation. There was an outbreak of diphtheria in the camps and the Canadian prisoners were refused medical supplies to treat the disease. As a result of that they in turn infected some of the Japanese guards with diphtheria, and the Canadians were then taken off their heavy work details and placed in isolation. Perhaps, inadvertently, more lives were saved as a result of that outbreak than would otherwise have been the case.

In January, 1943, 1,183 other ranks together with one officer, significantly a Captain J. A. G. Reid, of the Royal Canadian Army Medical Corps, were taken to Japan and were forced to work in various industries, chiefly mining. Again the conditions were extremely bad and this can be shown as evidenced by the fact that here 136 more men died.

I was very happy, Mr. Speaker, to hear my hon. friend from Victoria (B.C.) announce that the Canadian pension commission is now prepared to launch an investigation into the status of these Hong Kong veterans. I expect this investigation is designed to produce information about the Hong Kong veterans and to give some indication of points which will require further and more detailed investigation. I have asked for other information, and I would like to refer to an article concerning this whole matter, which appeared in the Victoria *Daily Times* of June 13, 1964. It is stated there that the death rate among

these men, referring to the Hong Kong veterans, is 27 per cent. I have asked for information on this point, and I imagine that there probably must be a typographical error because up to the end of 1963, 108 of the over 1,400 men who were repatriated to Canada after the war had died. This is a death rate of approximately 7.7 per cent. Certainly we are not happy about this at all and we must look into the matter further, but the figure is not 27 per cent as reported in the Victoria *Times*. I think this bears correcting.

There is no question in my mind that these men suffered more and for a greater length of time than the ordinary, if I may use that word, prisoner of war in other parts of the world. There is no question in my mind that they are deserving, not of special treatment but of treatment which will assure them justice.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I intend to be very brief but I wish to congratulate the hon. member for Victoria (B.C.) (Mr. Groos) for having raised this matter in a private member's notice of motion, and I hope the government will do something about it. I have had the opportunity of being a member of the veterans affairs committee since I was first elected to parliament. Each year we have heard from the Hong Kong veterans association all the details and particulars of the special problems they have. These problems are many, and I certainly want to leave a few minutes for the hon. member for Grey-Bruce (Mr. Winkler) who has had experience in prisoner of war camps. The problems of prisoners of war of the Japanese were considerably aggravated, it is generally agreed, beyond those of prisoners in any other prisoner of war camp throughout the world. These problems developed because of long exposure to foods unknown to the western palate and because of diseases unknown to the medical profession. When the association presented their brief last year this fact was admitted and expanded upon by the medical advisers of the Department of Veterans Affairs.

The result was that the veterans affairs committee decided that this matter warranted immediate consideration and made a recommendation to the Minister of Veterans Affairs, as has been done on a number of occasions, that special consideration be given to these men.

Mr. Herridge: Since 1945.

Mr. Peters: I am told by the hon. member for Kootenay West (Mr. Herridge) that this has been done by the veterans affairs committee every year since the end of the war. Yet the Liberal government, the government of the member who introduced this motion, has been unwilling to do anything about the matter. We even had the sad spectacle last year of officials of the Department of Veterans Affairs defending their action in not granting some of the requests of these prisoners.

The hon. member for Red Deer (Mr. Thompson) outlined some of their requests. They asked for a 50 per cent pension because of the service they gave and when you apply this to 1,200 people it is small compensation for the suffering they have endured over the years. I do not think there is anyone in the house who disagrees with that suggestion. In my opinion it is up to the Department of Veterans Affairs to do something about the matter now and I hope that this measure will pass. To my knowledge the 60 members of the veterans committee are all veterans, and there are more than 60 members of the house who are veterans. Having that in mind, surely it behooves the government to give some consideration to this matter. I hope that the motion will pass quickly and that action will be forthcoming to assist these people. As one hon. member said, they are becoming fewer in number each year. Whether their death rate is 27 per cent or 7 per cent, it is much above the average.

We had people appear before us who obviously were suffering from disabilities such as beri-beri and heart and stomach conditions that were the direct result of their treatment by the Japanese while they were in the Japanese prisoner of war camps. I strongly urge that this matter be dealt with now and that the veterans affairs committee be allowed to get on with other matters, because the committee has already made a favourable decision with regard to the subject matter of this motion.

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, like other members it is not my intention to speak at length or to impede the passage of the motion moved by the hon. member for Victoria (B.C.) (Mr. Groos) in any way. As a matter of fact, if the record is examined I think hon. members will find that a similar suggestion has been made on numerous occasions. I recall that during the sittings of the veterans affairs committee some years ago I endeavoured to bring about a study of this matter because of cases that

had been referred not only to myself but to other members, having in mind the possible influence we might have with regard to the determination of the course to be followed by the department or by the government.

I make the same plea to the present government as I made to the former government. The hon. member for Victoria (B.C.) has made it very clear, and other members have supported him, that these veterans require something a little different and a little more specialized in the way of treatment than other veterans. However, I should like to see included in this motion all members of the forces who were interned in prison camps.

I say that because of cases with which I am well acquainted personally. In the course of the next two or three days a veteran with whom I had the privilege of serving will be coming to Ottawa to determine if any assistance from the government is available to him because of the special circumstances mentioned by one member who participated in the debate. This problem is a continuing one. As my colleague who participated in the debate has mentioned, these people sometimes will not come forward themselves until it is too late. Sometimes it is the case that they have made no representations at all to the Department of Veterans Affairs since 1945 and therefore it is a very easy thing for the departmental officials to say that their condition is in no way related to their wartime experiences.

I think of names such as Bill Warren. I do not recall his home town but he was in the camp I was in, and I know this man has a justifiable case. His case has been before the pension commission on several occasions but now the door is completely closed. There is a widow in the province of Manitoba with a family of young children, and I know the difficulty this veteran had when he was in the camp. It was precisely his experiences there which caused his death. The same is true of my colleague and friend, Danny Evans of Toronto. There is also the case of a young widow of a year and a half ago in the city of Hamilton. Now we have this chap coming to Ottawa in the course of the next few days.

In each and every case their own doctors have said that their condition is attributable to the severe experiences they had in the prison camps. Some of us who were there may not show signs of what had to be endured. As a matter of fact, I recall that when I returned home I weighed approximately 128 pounds. I wish I were a little closer to that mark today, but that is beside the point. Some people have not been as fortunate as some of us. There are quite a number of members in the house who have had these experiences and can well appreciate the sensible views that have been put forward today.

I appreciated the eight points that were set down by the hon. member for Red Deer (Mr. Thompson). There is not one of them that would not apply to every colleague of mine who was in southeastern Germany. Perhaps our treatment was not as rough as that given out to the Hong Kong veterans. I qualified my remarks at the beginning with that statement. However, I wish the hon. member had included these people in his motion because the cases I have mentioned all seem to me to have a common denominator, and that is the life they endured as members of the services and the experiences they had to go through.

I could mention to the house specific instances. I can remember one day in particular when there was a great escape. The German authorities sent their storm troopers into the camp, about 300 of them. They were lined up across the front and down one side with their tommy guns at the fire. When they did not get the kind of co-operation they wanted, some officer in the wehrmacht blew his top and all of these guards started blasting down in between the camp, through the barracks and so on. This lasted for a period of two days. Throughout the whole night, people had to stand out on the parade ground, make fires, and so on. Though this is only one incident, but such experiences as these had a reaction on the people and left a mark on them. In addition, there were deprivations, diet and so on. There should be a recognition of the things mentioned specifically by the hon. member for Red Deer, as well as those referred to by the hon. member for Victoria (B.C.)

I should like very much to have this motion include all those who have been in prisoner of war camps. Dr. Crawford in the department knows that I brought this matter to the attention of the committee many years ago. He said that it was difficult to get any statistics covering these people because of the situation which exists in Canada. I did not know until a short time ago that this subject would be discussed today or I would have endeavoured to produce some of the information that was given to the committee at that time. I assure you that the statistics that have been given to us here apply equally right across the board to the people who have had these experiences. I will be very

satisfied if during the course of this particular study it is borne in mind that the people I have mentioned have particular rights. I have only referred to these cases from memory, but all cases of a similar type should be given special consideration. If this is done I will consider it a wonderful effort on the part of the hon. member for Victoria (B.C.), the committee on veterans affairs and the Canadian parliament. I am grateful to the hon. member for bringing this forward now and I am pleased to support the terms of the motion.

[*Translation*]

Mr. Bernard Pilon (Chambly-Rouville): Mr. Speaker—

[*Text*]

Mr. Peters: If you are not a veteran, don't talk about it.

Mr. Pilon: I should like to remind the hon. member for Timiskaming (Mr. Peters) that I am a veteran.

Mr. Winch: All we want you to do is not talk out this resolution.

[*Translation*]

Mr. Pilon: I shall just take a few minutes, Mr. Speaker. I wish to add my own comments to those of the hon. member for Victoria (B.C.) (Mr. Groos) and all the other previous speakers.

As the hon. member for Grey-Bruce (Mr. Winkler) said, we should consider the case of all the prisoners. A great deal has been written about the Hong Kong incident, as pointed out by the hon. member for Hastings South (Mr. Temple), but I do not believe the Canadian government of the day was responsible for what happened as far as transportation was concerned.

We appreciate the fact that veterans who were taken prisoners in Hong Kong have been badly affected. I recall that one of my friends had to face the firing squad four times in the same month. We came back to Canada, suffering from malnutrition, and the matter should have been considered many years ago.

I would like to mention here the fact that the hon. member for Timiskaming (Mr. Peters) said a little earlier that the Liberal party was to blame. To that I say, that at the present time a commission is studying the case of the Hong Kong prisoners and that this study will be much more comprehensive than anyone might imagine. That commission will consider the possibility of those prisoners obtaining life insurance, pensions when they need them, because Canada is aware of the debt it owes them.

Mr. Speaker, before closing, I wish to congratulate the hon. member for Victoria and all those who spoke before me.

[*Text*]

Mr. C. W. Carter (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, I should like to join with those who have expressed gratitude to the hon. member for Victoria (B.C.) (Mr. Groos) for focusing the attention of the house on the problem of the Hong Kong prisoners, which is set forth in the resolution now before us. I think hon. members should understand that the purpose of this motion is already being served, because the Canadian pension commission has already undertaken a survey of this problem following the recommendation made in the report of the standing committee on veterans affairs.

In order to refresh the minds of hon. members, may I read that recommendation which appears at page 430 of the report:

> In view of the special problems that time and experience has revealed concerning the Hong Kong veterans this committee urges that a special study and survey be made of their problems and particular disabilities.

Mr. Winch: May I ask the hon. member a question? Is it the intention of the hon. member to talk out this motion when it is obvious it would be passed unanimously by this house?

Mr. Carter: Well, I was just about to point out to the hon. member that if this motion were acted upon now we would only be duplicating what is already being done by the Canadian pension commission.

Mr. Winkler: Let us duplicate it, then.

Mr. Carter: This proposed study could be more properly undertaken after the Canadian pension commission has completed its survey. Hon. members should read the motion and realize what it asks the house to do.

Mr. Deputy Speaker: Order, please; the hour appointed for the consideration of private members' business has now expired.

Mr. Winkler: Shame.

BUSINESS OF THE HOUSE

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at ten o'clock this day are as follows:

The hon. member for Kootenay West (Mr. Herridge), statements by Arnold Heeney regarding the commonwealth.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Fairweather: As we have wide rules of relevancy in this debate I wish to say a word or two now about the question of Canadian unity.

I have much sympathy with the aspirations of Quebec and its so-called quiet revolution. I think we in the rest of Canada must understand that this revolution is directed as much against the past in Quebec as it is against the rest of Canada. I think we must remind ourselves of the French fact in Canada and of the perfectly natural desire for this great culture to preserve its language in a changing country and a changing world. Having said that, I say with great respect to my Quebec confreres. Do not let the quiet revolution become so inward looking that its aspirations make Quebec a narrow, insulated community in Canada, in North America and in the world. If this is the consequence of the present movement, it is a movement in defiance of man's progress in the 20th century. Nationalism in the restrictive sense became outmoded when bombs fell on Hiroshima. Turn outward, so that Canada and the world may share the fruits of your culture and your learning. As the manifesto which I discussed earlier this evening puts it:

> The future of a language depends upon the dynamism of those who speak it...To use nationalism as a yardstick deciding policies is both sterile and retrograde. Overflowing nationalism distorts one's vision of reality, prevents one from seeing problems in their true perspective, falsifies solutions and constitutes a classic diversionary tactic for politicians caught by facts.

In saying this I do not speak only to Quebec. I speak about all those manifestations of nationalism current in our land. Little Englanders must not be transplanted here as little Canadians. To quote again from the manifesto:

> The most valid trends today are toward more enlightened humanism, toward various forms of political, social and economic universalism. Canada is a reproduction on a smaller and simpler scale of this universal phenomenon. The challenge is for a number of ethnic groups to live together.

[Mr. Deputy Speaker.]

> It is a modern challenge, meaningful and indicative of what can be expected from man.

I have no trained and sophisticated mechanism which can tell me what is in the minds of the people of Canada, but I have a hunch that we parliamentarians would be surprised to learn that the truth of some, at least, of what I say, is well understood by many people all across this land. I suggest—and here again I adopt the words of the manifesto—that to confess one's inability to make confederation work is, at this stage of history, to admit one's unworthiness to contribute to the universal order.

I cannot think that Canadians of whatever origin—as if origin mattered—are going to turn our backs on what Sir Ernest Barker calls, in an important book, "The Tradition of Civility". Canada is indeed a small reproduction of that part of the world which established for men everywhere the great salutary rules which are part of what Walter Lippmann terms the "public philosophy"—the "public philosophy" from which springs freedom of religion, of thought and of speech. Some of this public philosophy is embedded in bills of rights, other parts in jurisprudence and others in constitutions.

Sir Ernest Barker puts it this way:

> The rational faculty of man was conceived as producing a common conception of law and order which possessed a universal validity—

I am suggesting that it is our duty and responsibility to make sure it does not wither and die from neglect. It is a greater responsibility than a design for a flag or a revision of a constitution. It is of more importance than preserving an international boundary or a parochial pattern. The list of Canada's priorities—and this is what I believe we are considering—is too long for me to capitulate in any detail tonight. But it includes the fight against poverty—and may I remind hon. members that dramatic schemes to clear city slums leave untouched that wasteland of rural poverty which can be seen in too many parts of my own province and, I suppose, in others. It includes unemployment, particularly regional unemployment, and the parallel problem of the inequitable distribution of wealth and income. It includes the pollution of our streams and rivers and the erosion of our soil; it includes ruthless exploitation of some of our heritage; it includes the monotonous pap of some of our radio and television programs, which seem to be based on a denominator which is often subterranean. It includes an antiquated penal system where, too often,

punishment is substituted for rehabilitation; crowded hospitals and a lack of decent provisions for proud and honest men to settle their doctors bills. It includes people who will not recognize the French cultural fact, and the reasonable wish on the part of this co-founding race to maintain its tongue and enlarge its share of the development of the whole of Canada. It includes, unfortunately, a still pitifully inadequate foreign aid program and, with great respect to the minister of citizenship, a much too restrictive formula for immigration into this country.

Mr. Chairman, I said we had a responsibility, and I think we do. We have a responsibility to public opinion, and I am going to suggest that public opinion is not just an unworked lump of dough; it needs yeast to make it work—and I suggest that it is our responsibility to be that yeast. Walter Lippman reminds us that, "The naïvely democratic theory was that out of the mass of the voters there arose a cloud of wills which ascended to heaven, condensed into a thunderbolt, and then smote the people". We as political people—and I am proud of that adjective—know that this is not so.

James Reston wrote in a column in the New York *Times* on March 28:

> We must not demand the serenity of faith without the agony, victory without the struggle, solvency without the taxes, leadership without the criticism, peace without sacrifice, and salvation without conviction.

[*Translation*]

Mr. Grégoire: Mr. Chairman, I take this opportunity, when we are discussing interim supply, to raise a few points which we would like to stress in the hope that the government will bring about some improvements.

One of the first points I would like to bring up is one I have repeatedly mentioned in the house. Unfortunately, we did not see any improvement in this field. I am speaking of the behaviour of employees in the Quebec office of the income tax department.

After my having complained time and again in the house, the Minister of National Revenue suggested that I should submit to him the cases I might have so that he could examine them and see what is wrong with the office of his department at Quebec. During the past two months—and the minister will be able to confirm this—I have sent him at least three score letters from people in the county of Lapointe who were dissatisfied with the decisions of the inspectors at the Quebec office.

Mr. Chairman, I hardly know whether the minister looked into those cases, or whether he had some inquiry made to see what was happening in his department, but there is one thing I know, which is that we always get the same routine: the inspectors of the Quebec office of the Department of National Revenue behave like dictators and tyrants, depriving people of their savings.

I have received some letters signed by the Minister of National Revenue to the effect that his inspectors in Quebec had consulted the parish priests in their rectories. Now, parish priests from the riding of Lapointe have sent me sworn statements to the effect that no inspector from the Quebec office has ever come to their rectory to secure information in that connection. The minister tells me that his department's investigators in Quebec have made enquiries with the parish priests and the latter send me sworn statements to the effect that such allegations are entirely untrue.

Mr. Chairman, I will send those sworn statements to the Minister of National Revenue and I think it will then be time for him to open his eyes and realize that officials of his department in Quebec are purely and simply robbing the people by reducing their deductions for charitable donations, though there are receipts signed by parish priests who swear that the inspectors of the Department of National Revenue never came to see them.

In my opinion, Mr. Chairman, that is serious, because we are told that enquiries are made when there are none. What happens is merely that an official stays at his desk in his office where he makes an arbitrary decision to rob the people of their income.

Those dictators of the income tax office make a great show to try to get promotions, and when they can make the Department of National Revenue save a few dollars, such promotions are given to them under the pretext that they are good servants.

Mr. Chairman, I say to the minister that they are not good civil servants, but dictators who discredit the government and the Department of National Revenue in public opinion. It is because of such attitudes that the citizens of the province of Quebec rebel more and more against the dictatorial action and the gangsters of the income tax in Ottawa.

Mr. Chairman, this is not the first time that we raise this problem in the house, but such cases are excessively numerous; the hon. member for Villeneuve gave evidence for half an hour in this house, I myself did the same and, during the last two months, I have been sending every day to the Minister of National

Revenue evidence of cases of injustice in my riding, in Quebec city and vicinity. We always get the same commonplace and unsignificant answers: "We had the file sent to us and the inspectors tell us that they made an inquiry, that they went to see the parish priest and that he said that such and such taxpayer had not given such an amount to charity".

Those parish priests write to us again to tell us that it is false and that the officials of the Department of the National Revenue did not see them.

Those individuals in the Quebec office are failing in their duty and, in my opinion, the minister should start an investigation immediately so as to control their activities, and more particularly those of a Mr. Gingras and of a Mr. Audet, of the Quebec income tax office, who are often rude in their replies or are content with sending the same replies in every case—

Mr. Gauthier: Circulars.

Mr. Grégoire: Circular letters, as stated by the hon. member for Roberval. The officials of the Quebec office always give the same answer. "After going through your file, under such and such a paragraph, or such and such a section of the act, your receipt for charitable donations has been reduced to $300, $200 or $100". In most cases, the matter has not even been investigated.

I am asking the Minister of National Revenue to have the activities of those Quebec office dictators investigated, for that office is discrediting the Ottawa government in the province of Quebec, because of those people's behaviour.

I believe that the minister should consider this request, because if he does not, we will bring all the cases before the house—sworn letters, affidavits, etc.—and put everything before the minister, and more particularly the actions of some inspectors whom I shall name again so that the minister may take note of them: They are Mr. Gingras and Mr. Audet, of the national revenue office in Quebec.

I think that Mr. Paquin, who is in charge of that office, would also need to be called to order, as he does not properly supervise his employees' attitude in his own office.

Mr. Chairman, you will agree with me that this is somewhat surprising, when the minister writes me—the letter does bear hon. Mr. McIlraith's signature, i.e. the signature of the Minister of National Revenue—to say that, on his instructions, his officers went to a rectory to get some information with regard to a particular case, and the priest, in his turn, sends me a letter under oath certified by a notary, to the effect that nobody from the national revenue office ever appeared at his rectory to ask for information on this matter.

You will admit that the minister at the other end, who sent that letter, should feel somewhat ashamed because he cannot rely any more than that on his officials. Personally, when I send a letter to someone under my signature, I check its contents before signing it. This is not what the minister does. Moreover, when it is letters of this kind, it does not bother him at all, and he does not even bother to check certain affidavits, like those he received from my riding, before signing the letters stating that an inquiry has been made. The minister should get better information than is the case at the present time. I can state that no such thing would happen with letters signed by me.

Now, Mr. Chairman, let us take another department. I see that the Minister of Forestry (Mr. Sauvé) and the Minister of Agriculture (Mr. Hays) are not present, but since we are in the farming season, I should like to make a request to the government, through the Minister of Agriculture or the Minister of Forestry, whichever department is concerned.

We realize that in the province of Quebec there are not enough farm credit advisers. There are many applications made by farmers for loans. Unfortunately, there are not enough farm credit advisers or inspectors to go and make inquiries at the place of all the farmers who make applications, so that the granting of loans is delayed and, of course, the farmers are delayed in their seeding or in their crops, and it is Quebec agriculture that suffers.

I think that in a province such as Saskatchewan, with 15 or 16 counties, there are 37 inspectors or supervisors of farm credit. In the province of Quebec, with a population seven times larger, there are hardly 16 of them.

I think that all members of the house will recognize that there is discrimination there. I am in favour of those 37 advisers or supervisors of farm credit in Saskatchewan, and if they want more, I am not against it. But when there are not enough in the province of Quebec to meet the needs, I cannot help but protest.

That leads me to say that there is something wrong in our system. I think that there

is overlapping by the federal government and the provincial government in too many fields.

There is some in agriculture. When something has to be settled in agriculture, steps must be taken with the provincial government and then with the federal government. It takes time to convince the provincial government and then it takes time to convince the federal government, and it takes even more time to convince both of them together. When some ARDA project has to be carried out, it has to go through the provincial government and the provincial government must go to the federal government and then it comes back to the provincial government, so that the delays are three times longer than if there were only one government to look after that. The same thing happens with respect to winter works. The municipality applies to the provincial government; the matter has to be referred to the federal government, then it is returned to the provincial government, and, finally, it comes back to the municipality.

This implies a loss of time, some delays causing trouble for interested parties and bodies. As regards winter works ARDA and farm credit, pension plans and any other field, we see two governments interfering with each other; each has a decision to make, each one has its own legislation, its rules and regulations. In such circumstances, delays are bound to occur and everything is being neglected.

This leads us to conclude that an end should be put to those programs where two governments must be consulted and where two governments must legislate before results are obtained. In my opinion, the federal government should withdraw purely and simply and leave sources of income to the provinces in order that they may be in a position to deal alone and by themselves with such problems, and that these be settled sooner and to everybody's satisfaction.

It is obvious that if the council of ministers, before reaching a decision, was obliged to consult the cabinet or the council of ministers in Mexico, our country would suffer because it would take from now to doomsday to get action. That is exactly what occurs in every field with the joint plans.

There are too many governments, too many different things, too many levels of government, so that everything is delayed and everything is bungled. This leads us to an inevitable conclusion; the federal government must withdraw as soon as possible from joint plans to allow the provincial governments to legislate in the fields these plans cover at present.

What creates most problems nowadays in Canada for the federal government, for provincial and municipal governments, and also for individuals, is that the Canadian citizens, in the economic field, do not think as Canadian citizens but as a colonized people subject to other countries.

I read recently, and this is one of the things which disgusts me the most in our country's administration, that in our international trade, we had, during the last three months, in our goods account only, a surplus of $47 or $48 million. On the other hand, we notice that we have a deficit of approximately $375 million concerning the outflow of money.

Why all this? Because each year there is $1,200 million—this is a huge amount, Mr. Chairman—which is paid by Canada to other countries for interest, dividends or benefits to foreign companies who are developing natural resources of our country.

I came back yesterday, having held several meetings in the Chicoutimi county, in an area where we find a good number of lumbermen. Now, these men are cutting wood for $5 a cord, are paying their room and board in the forest, and their power saw at the end of the season; they come back more indebted, having barely enough to live on, while foreigners, who do not even come and fell a single tree in our forests, who do not even know what our trees look like, collect the profits and lead an easy life in other countries thanks to the profits due to the labour of our people.

Mr. Chairman, I say that the Canadian people today, are an economically colonized people who only work for wages, while the benefits, dividends and interests are going at a rate of $1,200 million a year to foreign countries, to make their capitalists richer.

If that problem were solved, if there were organized in this country a system whereby we would remain masters of our natural resources, of our industry, of our forests and waters, we could keep the benefits, dividends and interests for ourselves and each year our country would be $1,200 million richer.

Imagine what we could do with all that money. We could build schools, colleges, universities, pay our professors and build hospitals.

And in the province of Quebec, persons who are ill have to wait 15 days, three weeks or a month to be admitted to hospital, because there is a shortage of hospital beds.

Mr. Chairman, with $1,200 million we could build hospitals, roads and bridges, we could develop our industry and increase family allowances. Can you imagine what would be within our reach if dividends earned in Canada remained in our province? Unfortunately those profits go elsewhere.

Mr. Chairman, that is precisely what is wrong with this country; it has no control over its capital, and its credit and its citizens remain small wage earners while foreigners make all the profits. I have nothing against their getting the profits in their own country but I object to their laying their hands on the profits in Canada just because they can afford to provide the required capital and we cannot.

When we settle that problem a lot of others will be solved at the same time. When we can create our own credit and keep our own profits instead of letting them fall into foreign hands, then quite a few problems will have been solved.

Those are the few comments I wanted to make.

I also wanted to refer briefly to a rather typical example of patronage. We have just found out that the Minister of Citizenship and Immigration has seen fit to hire, at $7,500 a year, an individual who works for him in his riding of Matapédia-Matane. I am wondering whether there are a great many immigrants in that constituency or if the man's job is to look after patronage or to prepare elections on behalf of the minister.

Mr. Tremblay: Mr. Chairman, I rise on a question of privilege.

The hon. member said that I hired an official and suggests that he is looking after patronage in my constituency. I will point out to the hon. member that this official belongs to my Ottawa office and that he has always been on my staff, but it is true that he has been performing certain duties, which I am unable to do as Minister of Citizenship and Immigration in my own constituency.

Since Mr. André Côté has been appointed to my staff, he has never dealt with political matters either in my constituency or in the province. He was exclusively appointed in Ottawa and in my constituency, where I cannot deal with the correspondence of every case submitted to me as a minister or a member of parliament.

Mr. Grégoire: I feel that the minister did not give us enough information, but it is easy to see what it means.

[Mr. Grégoire.]

In my riding, when constituents complain that the bandits of the income tax division have cut down their receipts for charitable donations, I am the one who has to settle the matter. It is never done by an official, because the department does not want the matter to be settled. But when this happens in the riding of Matapédia-Matane, the minister has an official deal with the matter on his behalf.

The same applies when problems relating to farm credit and unemployment insurance have to be settled. We have to write to the Quebec office, but inspectors are too few and it takes time to settle the matter. As for the minister, he is lucky, because he has someone in this riding to look after farm credit and unemployment insurance matters, and when a tax problem arises and the bandits of the income tax division do not want it to be settled—

Mr. Lambert: Mr. Chairman, when the hon. member uses the word "bandit" to designate officials of the Department of National Revenue, he goes far beyond the parliamentary terms used in the house, and I would therefore ask him to withdraw his words.

Mr. Grégoire: I do not know whether the hon. member for Edmonton West (Mr. Lambert) was here a while ago when I mentioned tioned that inspectors stated that they made inquiries in rectories and that parish priests claim that they have not received the visit of an inspector. Then, when I see that inspections are being made directly in the inspector's office, and I can prove it, I find that we are using the term very loosely. I do not know how the hon. member calls that, but I think the term is quite proper and I will not withdraw my words. I will only withdraw them if it is proven that I am wrong. But, it will not be proven, not with all the facts I now have. The term is sufficiently loose not to go beyond what I have in mind.

If the Minister of Citizenship and Immigration wants to present in his constituency—

Mr. Ricard: Mr. Chairman, the hon. member for Edmonton West (Mr. Lambert) has asked the member who insulted the federal officials to withdraw. I ask you, Mr. Chairman, to make a ruling on that question of privilege.

Mr. Grégoire: Maybe these problems do not occur in the riding of the hon. member for St. Hyacinthe-Bagot (Mr. Ricard). It is also possible that if he would visit his electors a little more often, he might realize that this problem is there. As for us, we want to serve the interests of our electors, and that is normal. We object because we know that in

his riding the situation is similar and I know that his electors complain, the same as in other ridings; that is why I am surprised to see his attitude, to see him rise and make—

[*Text*]

The Deputy Chairman: Order. I think the hon. member for Lapointe, in the remarks he is now giving, is making them directly against officials of the department. If he has any criticism of the department to make it would be more in order if he made it to the minister.

[*Translation*]

Mr. Lambert: The civil servants are not here to defend themselves. You are being cowardly.

Mr. Grégoire: It is obvious that I am making remarks and that I cannot treat the minister like that, since he does not take such action himself; his senior officials do it for him, because if he had to deal with all the cases, he would really have too much to do. On the other hand, his responsibility is to see that his officials do not behave like they do and, if they behave badly, it is his responsibility to set his department in order.

As I was saying, I think the hon. member for Matapédia-Matane is very fortunate to have been able to hire a civil servant solely to look after such problems. They take up a lot of our time, because our electors feel that things are going badly in all those fields, income tax, farm credit, unemployment insurance. As far as the minister is concerned, he has somebody to look after all those things. But we have no one. The minister is assisted by officials to do his research work in the house. He even employed some one to go and see his electors and calm them. As far as we are concerned, we try to settle those things directly with the department without any patronage in the riding. The minister should avoid patronage when he employs someone to look after all his little worries and try to quiet the discontented ones and make friends with them.

Mr. Tremblay: Mr. Chairman, I rise on a question of privilege.

I do not think that members can use the word "patronage" to describe the services rendered by someone to all the electors of a riding who have needs or requests to be made known to the government.

Therefore, I ask the hon. member to withdraw the word "patronage" to describe the services rendered by a member of parliament, by a minister or by one of his officials who deals with the correspondence and tells the minister about the goings on in his county.

I do not think that we can use the word "patronage" to describe such activities and, therefore, I ask him to withdraw that word.

Mr. Grégoire: Mr. Chairman, with respect to the question of privilege, let the minister see to it that there is an individual like that in every riding in Canada. Then, when there is one everywhere, we will not hear the ministers' say: It is because they want to arrange their little schemes in their ridings.

We do not have such employees; we have to spend our week ends visiting the homes of those farmers, seeing electors, but we see them, we talk with them, we know them; it is not officials who do our job for us because we go and see our own people; this is much more satisfactory, because when we come back to the house, we can say that as representatives we talk knowingly because we visited them, we saw them, we met them and we discussed their problems with them.

Mr. Chairman, the minister did not tell us exactly what were the duties of this Mr. Côté who is paid $7,500 per year to work for the Minister of Citizenship and Immigration, because I imagine that the minister must have many immigrants in his riding of Matapédia-Matane. Can he tell us what are his duties and what cases he tried to solve down there? Perhaps the minister could give us more details and inform us of the duties of this official, and then perhaps patronage would not be mentioned so much.

Mr. Chairman, I wanted, while we are discussing interim supply, to avail myself of the opportunity of expressing some views, because it is not always possible to vent our thoughts on various issues.

I wanted to deal with farm credit, for while I think that inspectors are doing a good job, there are too few of them. I would ask the government to increase the number of supervisors and farm credit advisers, more particularly in the province of Quebec, to answer the need.

I also would ask the Minister of National Revenue to put some order into his department, more particularly in the Quebec office.

And, if the Minister of Finance (Mr. Gordon) were able to give this country a financial system enabling Canadians to develop their own industries, natural resources and trade, by their own means, instead of having them developed by foreigners, then

we would keep our profits at home, and develop Quebec better than we do now.

[*Text*]

Mr. McIlraith: Mr. Chairman, in the early part of his remarks, the hon. member for Lapointe dealt at some length with the Department of National Revenue, of which department I am the acting minister. In the course of his remarks he referred to the civil servants of the department as tyrants, dictators, robbers and several other terms of that nature.

Mr. Ricard: He does not know any other language.

Mr. McIlraith: I merely want to point out that it is quite contrary to the usage and practice of the house to refer to civil servants in that way, for the rather obvious reason that it has always been thought to be improper to refer to persons who are unable to defend themselves. It is improper to take advantage of the privilege of the house—where they cannot reply—to use language in reference to them that could not be used outside the house without incurring the responsibility consequent on such actions.

Mr. Churchill: Spank him some more.

Mr. McIlraith: I think the abuse of the correct practice and procedures of the house will be apparent to anyone who gives the matter any thought. Having objected to this wholly improper practice, I think I can leave the matter there for the moment.

The hon. member's other remarks concerning the department had to do with claims for charitable donations by taxpayers in certain parts of his constituency, those claims in a large number of cases having run to 10 per cent of income. There has been some question whether or not these claims for charitable donations were made due to a misunderstanding of the law or whether in fact the amount of money claimed as having been donated to charities was actually so donated.

As I understand the duty of the minister, it is to see that the act is administered fairly. That implies that each taxpayer is treated fairly under the provisions of the act—

Mr. Grégoire: They are not.

Mr. McIlraith: —as the law requires that they shall be treated. Under our modern system, practically every citizen is a taxpayer and it is important that the taxpayer who pays his taxes should know and be able to feel that all other taxpayers are being required to pay their taxes on an equal footing under the law. If that has meant the investigation of certain individual cases, surely that is the necessary and proper thing to do.

Each case the hon. member has referred to me has been checked or is being checked. When he says that he sends a letter a day about some particular taxpayer, I can only tell the committee that he is being quite accurate: In fact, I thought it was more than a letter a day. In any event, whatever the number, these cases are checked in each instance to find out if these people have been treated fairly and in accordance with the law. As best that can be done, it is being done.

Mr. Grégoire: No.

Mr. McIlraith: As I have indicated, in some areas there is a misunderstanding as to what the law is.

Mr. Grégoire: The misunderstanding is in the department.

Mr. McIlraith: The fact is that actual donations up to a maximum of 10 per cent of income are what are allowed, but there seems to be an impression in some areas of the hon. member's constituency that there is an allowance of 10 per cent of income for such donations, which is quite a different thing. I assure the hon. member that as long as I have the responsibility as acting minister for this particular portfolio, the cases he refers will be looked into and dealt with. If he has any particular complaints and can substantiate them, I will be very glad to receive the information and, they will be looked into.

The hon. member also referred to the matter of affidavits. Offhand I have no recollection of receiving any such affidavits, but if there are any such affidavits that appear to be in conflict with our information or to add information that has a bearing on a particular case, I certainly will be glad to see that they are properly examined to make sure that the law is administered with absolute fairness. This is the only way that a system as all-embracing as our present taxation system can be administered.

Mr. Grégoire: May I ask the minister a question?

Mr. McIlraith: By all means.

Mr. Grégoire: Is it not a fact that in many of the cases I have sent the minister the people were claiming only 6 or 7 per cent of

their net income, and not 10 per cent as the minister mentioned?

Mr. McIlraith: No, I would not agree that is so. The point is that they are only entitled to claim what they actually gave to charities. That is the point. They are only entitled to claim what they actually gave up to a maximum of 10 per cent of their income.

Mr. Orlikow: Mr. Chairman, if the Minister of Citizenship and Immigration were a philosopher instead of an economist I suppose he could console himself with the fact that the criticism he and his department have received in the last month or so is the same as the criticism levelled at nearly every minister of citizenship and immigration for the last 15 or more years. I think the only person who escaped that criticism was the minister who preceded him, and I suppose he only escaped it because he did not remain in the department long enough for some of us to get at him.

I think that anyone who wants to be realistic will realize that the minister is not entirely responsible for the difficulties in which he finds himself, but rather it is the Immigration Act, the regulations drafted for the administration of the act and the administration itself which has become so involved and so obviously discriminatory that it is impossible for the affairs of the department to be conducted without criticism being forthcoming.

If we have been harsh on the minister in the last month or two it is because the minister has been so quick to rise to the defence of not only his deputy but every single person who works for the department either full time or part time. Let some member of the house, or counsel for one of the people who have been in trouble, suggest for a moment that possibly the interpreter who works part time for the department, I assume, may have left the wrong impression with one of the people involved, and the minister is immediately on his feet to tell us that neither the interpreter, any other member of the staff nor the deputy minister has ever made a mistake. He tells us that the department is perfect and always has been perfect.

I have had dealings with ministers of this department before and it is not surprising that after a minister has been on the job for eight or ten years and has worked closely with his department he comes to feel that the officials are very fine people, which they probably are, and that they do not often make mistakes. But I want to tell the minister that I have never known a minister before who developed this kind of departmental paralysis so fast. He has been on the job only a couple of months and already everything is perfect.

From the very beginning when these cases were first raised we have had a series of explanations, excuses and denials and even today when the minister announced he was appointing eminent counsel to look into this matter he still denied that anything was wrong was done. I suggest to him that if nothing was wrong there was no need to have an inquiry. The very fact that he has authorized an inquiry indicates that the minister finally realizes that possibly there is something which needs to be investigated. While we welcome the inquiry, I must say that I for one have a good deal of doubt about it because I am not quite clear how it will work. I am not clear whether Mr. Sedgwick is going to hold hearings, where he is going to hold the hearings or whether they are going to be held in public. I am not quite clear whether there is going to be a complete record kept of everything said, whether all the people involved are going to be heard, whether counsel for these people who have had difficulties are going to be heard, whether the press is going to be allowed to be present.

If the minister had taken the advice of the people on this side of the house who asked the questions a week ago and talked to the people who made the complaints, talked to Mr. Hooper and the lawyers who acted for these people, we would not be debating this matter today. Probably, we would not have had to have this inquiry.

I should like to raise briefly a couple of matters which the minister mentioned this afternoon when he made his statement. First of all, he left the impression with me, and I am sorry I have not the text of his address before me, that he was suggesting that possibly a good deal of the trouble was due to the fact subversive organizations are involved in these illegal entries. This is a rather serious charge. I think it ought not to be made by the minister unless he is prepared to give to the house and the country some kind of evidence of what has happened, some evidence upon which he bases this statement. If he does not, Mr. Chairman, certainly the members on this side of the house are going to treat that kind of suggestion with a great deal of scepticism.

Then, I was concerned about the minister's statement, which he has made again and again, not about whether people have been told that they could have legal aid, but his

assumption that they could have legal aid, but that it was their responsibility to get that legal aid. I want to suggest that the people who are here legally, especially those about whom we have heard, are very often people who cannot speak the language. They have not got many friends and certainly have not got much money. Even if they are told they can have counsel, I think it is expecting too much to expect them to be able to get counsel.

I have before me, Mr. Chairman, the minutes of an inquiry held in the case of Mr. George Sarris on March 31, 1964. I should like to read one question put by the inquiry officer to Mr. Sarris, so the minister will understand what I am talking about. I quote:

> If you so desire and at your own expense, you have the right to obtain and to be represented by counsel at this hearing.

I want to suggest that that is not good enough. A person charged with being here illegally, either at an inquiry or during court proceedings, should be able to get counsel, and he should not have to pay for it himself. I have before me, Mr. Chairman, the transcript of a court hearing in which four people, including Mr. Sarris and Mr. Thomadakis were charged—I intend to discuss this case later. This hearing was on April 10. I have the transcript here and not once during the course of these hearings were these four accused informed by the person representing the department, or the magistrate, that they were entitled to get counsel through legal aid. They were not told that if they were not ready to go ahead they could have their case postponed until they could make arrangements to get counsel. Not one of these hearings could have taken more than two or three minutes, because each one covers one page of typing, double spaced.

This afternoon the minister said that when a criminal charge is laid it is no longer the responsibility of the department. I want to take issue with that completely. I am not so concerned about the letter of the law. I believe every person is entitled to counsel. In no case where you have an indictable offence should a person appear without counsel. In a case where you are dealing with immigrants who do not have friends, do not have people to represent them, I think it is the responsibility of the department to make sure that counsel is obtained. Whether the department pays for this service or somebody else pays for it is, in my opinion, a very small matter.

I am glad we are going to have an inquiry because, after all the weeks we have been discussing this subject, after listening to the long statement that the minister made, I still do not know to whom he spoke. He told us that everything was okay, but did he speak to anybody outside the department? Did he speak to the people who have been held for long periods of time, who have been taken to the court, charged and sentenced? Did he speak to their counsel? I think the story which counsel for the people concerned tell is entirely different from the story which the minister tells. I am not saying that the minister came into the house today or any other day and deliberately misrepresented the facts. I am suggesting however, Mr. Chairman, that there comes a time when any minister should go outside of his department so that he can get the whole story.

There are some questions which I think have to be answered, and perhaps some of the answers are in the documents the minister tabled today. I think we have to know how many people are now being held or were held in Toronto and in Montreal. I think if we look into the situation in Montreal we will find it is not much different from the situation in Toronto. How many people were held or are being held for more than a month before their hearings? What opportunity did they have to get counsel? I think it is important to look into the charge which has been made by my friend, the member for Greenwood, who has had a lot of experience in this field. He has said that very often people are told, off the record, during the inquiry, that of course they can have counsel but it really won't do them much good; they might as well get on with the job. It is a very serious thing, I think, and we need to look into this matter. Were they told not only that they could have counsel but there was counsel available without cost to them? I do not think so, because there is nothing in the transcript which would indicate this. Were they, in fact, told it would do little good to get counsel? I will come back to that a little later. Were they told it may go easier for them if they pleaded guilty? All these charges have been made either by counsel representing the people concerned or by others. These are very serious charges and I certainly hope Mr. Sedgwick will get some of the answers.

There are other things we need to know. Why are these people held in the Don jail? After all, this is looked upon as a prosperous land, a land of milk and honey and the people from the have-not countries want to come here. We cannot blame them. I am not saying we should allow all those who enter il-

legally to stay. However, if they come here, why do they have to be held in the Don jail or Bordeaux jail until their hearing is held? I understand that some of these cases take quite a long time. It has been suggested that while they are in jail awaiting their hearings they are treated just like anybody else in jail, it is assumed they are already guilty, although the trial has not yet been held and very often not even an inquiry has been held. I am told they cannot have visitors more often than a couple of times a week. I am told that the number of letters they can write is severely restricted. It seems to me this is completely unfair. It seems to me that these are questions which need to be looked into and looked into thoroughly.

Now a serious charge has been made. It has been asserted by a number of people, including a minister, Father Koulouras, who was friendly with many of these Greek seamen, that until recently when the department found people who were believed to be here illegally, a hearing was held and, if it was decided they were here illegally, they were deported quickly, and that was the end of the case. Father Koulouras claims that the whole business of charging people with a criminal offence in these circumstances began very recently. Until the practice was changed, the men apprehended were allowed bail until their cases were heard. Now Father Koulouras says, the men are being charged, which means, of course, that they have to stay here longer while they are being brought to trial, and, if found guilty, they are sentenced to periods ranging from one month to five months in jail.

I want to know what is the purpose of charging these people and sentencing them to jail. Is it true, as is being said openly in Toronto, that the department has reached the conclusion that there are a large number of people here illegally? The figure which has been mentioned—and I have heard it mentioned in more than one place—is 700. The department, it is suggested, has estimated that there are more than 700 people here illegally; the administration wishes to set an example and wants to discourage these people from coming here illegally. Is this why, instead of being deported immediately, they are being charged and sent to prison?

Another serious charge has been made by a number of these people and I hope Mr. Sedgwick will look into this. Several of them have said—I will not go into detail today, but newspaper reports have quoted them—that they were told while being questioned that if they would tell the department the names of people they know are here illegally, so that the department could apprehend those people, they would not be charged and, therefore, they would not have to serve a sentence before being deported. This charge has been made by a number of the people concerned. I can only describe it as blackmail, and I think that blackmail, whether carried on by a government or by an individual, is completely wrong and ought to be stopped. I do hope Mr. Sedgwick will look into this matter —that he will get to the bottom of it, and if this kind of tactic has been used, it will be stopped immediately.

This may be threshing old straw, but this is the kind of case which led to the Minister of Justice saying that he intended to institute an inquiry. I wish to deal, in fact, with a few of these cases which have come to light. A great deal has been made of the Hooper case. Maybe the minister feels he has been hard done by in the columns of the Toronto *Telegram* because he is a Liberal, and the *Telegram* is a Conservative newspaper. Well, I have before me an article which appeared in the Winnipeg *Free Press*. If there is any newspaper which will find more reason to pat a Liberal government—any Liberal government—or any minister on the back, I do not know of one.

Mr. Knowles: It does not exist.

Mr. Orlikow: I wish to quote from this article which appeared in the Winnipeg *Free Press* on June 1, 1964. It is headed: "Disregard of Human Rights" and it was written by Maurice Western. I wish to quote a few paragraphs just to show the minister that this affair disturbed not only members of the house and not only the Conservative papers; it became a matter of concern to everybody. I quote:

> The minister made the point that Mr. Hooper was originally held in custody not only on the immigration count but also because of a charge brought by Toronto police. This was, however, withdrawn on March 15 and it is therefore indisputable that the department was solely responsible for his confinement in the Don jail for 72 days. Nor can the previous three weeks be left entirely out of the reckoning, for this time was presumably available to officials in preparing their case.
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> From March 15 onwards Mr. Hooper was held "undue the authority of the Immigration Act" and on March 23 the inquiry got under way. Because of his refusal to answer questions the inquiry officer adjourned the hearing to April 7 when other evidence was produced to establish his unlawful entry. Mr. Hooper was ordered deported and did not appeal.
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> But he was not then deported. Instead he was kept in Don jail for another 45 days while the

department considered whether or not it would lay the charge which was ultimately to be dropped. Mr. Favreau on Thursday frankly conceded that there had been "certain delays" which had been "occasioned in the administrative machinery in processing this matter."

Later the paper says:

Why was Mr. Hooper without counsel while all these administrative processes were moving majestically to the climax of May 22 and anticlimax of May 25? Speaking of the situation on March 23, Mr. Favreau told the house on Thursday that "he had been given ample opportunity to retain counsel if he wished to do so".

Further on, the article states:

This does not, however, throw much light on the circumstances. Mr. Hooper is a Negro, probably of limited means. Was he aware that he could obtain legal aid? Was he assisted in finding it or left to his own resources? Mr. Brewin, a lawyer of integrity and wide experience in immigration cases claims that it is "the practice of special inquiry officers to notify people of their entitlement to the right of counsel and then tell them it is not worth their while having a counsel because in effect a decision has been made before the hearing".

Mr. Hooper's charges may be quite baseless. The fact is, however, that they cannot be tested because after these incredible delays the charge was made, only to be swiftly dropped in favour of deportation. Suspicions linger and they will not quickly be dispelled if Mr. Tremblay persists in the attitude that whatever is departmental is right. Mr. Favreau did, however, make a more favourable impression with his assurance that steps will be taken to prevent the repetition of such an occurrence in future; an assurance to which the ministry will certainly be held.

And this is from the most Liberal newspaper in Canada.

I hope the minister will reconsider some of the remarks he made on May 28 about the Hooper case when he said—and I quote:

I would state, therefore, that Mr. Hooper was held prisoner under Canadian laws and enjoyed all the privileges granted to a Canadian resident even though he is not a Canadian citizen.

If the only rights Canadians have are the kind of rights which Mr. Hooper got, then God help all of us.

I wish to deal, now, for a few moments with what I thought was a most moving plea sent to the Ontario supreme court by Mr. Thomadakis who was held in the Don jail for a long period of time. I read a few paragraphs so that they will be on the record for the future when this case is forgotten—and when more cases of this kind may occur, unless the minister takes this situation more seriously than he has done until now. I quote from the statement this man made on March 3, 1964:

On March 3, 1964, I was arrested without warrant by immigration officers. I was very co-operative an

[Mr. Orlikow.]

help them as much as I could. Had I want to escape I could have as I was given opportunities by being left alone.

However, around 3.30 p.m. on March 3rd I was taken to Don jail. I was not advised of any rights and not allowed to call lawyer. I did not know what I was charged with and did not make an appearance in court or before any authority.

Two days later the immigration come to see me and question me about how I come to Canada. They did not tell me any rights or that I could have lawyer.

I do not speak English very well and the jail authorities did not help me to understand my position. On 3rd or 4th of April the R.C.M.P. came and tell me why I was arrested for the first time.

Here again we have a period of five or six weeks:

On April 9, 1964, I got a letter saying I would go to court next day. I had not chance to get in touch with anyone as the letter came in afternoon and jail regulations say I must put in requests in the morning.

No one told about legal aid. I have great trouble explaining things to the guards and everyone says it doesn't matter. I went to court on April 10 (38 days after my arrest) for the first time.

I had no lawyer and interpreter for immigration told me to plead guilty and I go home.

I want to interject for a minute and point this out to the minister. This is what Mr. Thomadakis says; I repeat it:

—interpreter for immigration told me to plead guilty and I go home, If I make trouble and plead not guilty I go back to jail until the case comes up again and maybe I get a heavy prison sentence. I plead guilty but I still do not understand.

Even if Mr. Thomadakis is not completely right, the very fact that an illegal immigrant, 21 years of age, who does not know the language, thinks this is what happened to him is, I think, an insult to the kind of justice which this country provides. The minister on a number of occasions has said that he checked into this particular case and that this did not happen. I asked the minister—and *Hansard* will show this was done three weeks or more ago—to contact the lawyer for Mr. Thomadakis, and the minister rejected my suggestion. I was not as squeamish as the minister; I called Mr. Mintz, who has acted for a number of these people, and here are the notes that I made of that conversation. Mr. Mintz said that he got in touch with the interpreter. He said that the interpreter said she told Mr. Thomadakis, "You can plead guilty or you will be found guilty; and if you want to get things over quickly, you had better plead guilty". I am not saying the minister knew this is what the interpreter was saying, but I am saying these whole procedures need to be looked into.

The same day on which Mr. Thomadakis was convicted in court a Mr. Georgios Sarris appeared in the same court.

Mr. Favreau: Mr. Chairman, could I ask the hon. gentleman a question? I understand that the hon. gentleman is now speaking of the proceedings before the court; is that right? Was this the interpreter who interpreted to that immigrant before the court, or is the hon. member referring to the proceedings before the board of inquiry?

Mr. Orlikow: This is the interpreter who acted in court. What I said was that Mr. Mintz quoted her as advising Mr. Thomadakis to this effect. It was not said in court; it was said before the court proceedings.

Mr. Favreau: May I put a further question, Mr. Chairman? Is the hon. gentleman aware that the interpreter in court is an officer of the court and of the province; he is not an officer of the immigration department or any other department of the federal government. Is the hon. member also aware that normally if a judge is not sure whether a plea of guilty is motivated by the proper factors, it is he who normally must inquire into the reason for the plea of guilty, and the judge is free to accept or refuse the plea of guilty. But one thing that ought to be made clear is that from the moment a person is before a court under the jurisdiction of the province, the officers of the court are within the authority of the province, and not of the federal government; and the proceedings, as far as the plea of guilty is concerned, are within the authority of the judge himself. It might make some difference.

Mr. Orlikow: I do not know what difference it would make to Mr. Thomadakis or to Mr. Sarris whether the people they were appearing before represented the federal government, the immigration department, the Department of Justice or the provincial government. In the final analysis, the end result was the same; they wound up in jail. I do not think it makes a hoot of difference who was responsible. I am sure that the Minister of Justice, who has a great number of tasks to perform, has seen this transcript; but if he has not, I will be glad to send it over to him. This is a transcript of the proceedings in which these four people were concerned. And I repeat what I said earlier, namely that the whole proceedings could not have taken more than 15 minutes. Nobody—not the representative of the department, not the magistrate or anybody else asked these people if they understood what was going on. Nobody asked them if they had counsel. Nobody asked them if they knew they could have counsel.

What difference does it make whose responsibility it was I have said before, and I say it again—and perhaps we will have more success with the Minister of Justice than we have had with the Minister of Citizenship and Immigration up till now—that I think it is our responsibility to make sure these people are properly represented. We should take a leaf from the decisions made recently by the United States supreme court, to the effect that every person in every case involving an indictable offence is entitled to counsel, and if they do not have counsel they cannot get a fair trial. I think we should stop splitting these legal hairs; I am not too concerned about that aspect of the matter and I will leave this to my legal friends, who do a very good job. But I am interested in seeing that these people receive some kind of justice, because they did not get it and they are still not getting it.

There has been some question about how old Mr. Sarris was, but I think it is now established that he was not more than 17 years old when he appeared before the magistrate. He was 15 years old when he committed the offence of entering this country illegally. He was 16 when he was apprehended. He was, as I say, the ripe age of 17 when he was convicted. I wonder what purpose there was in giving Mr. Sarris a jail sentence. Could he not have been simply deported, because he was guilty? He pleaded guilty. This would have solved that problem. But no, he had to get a jail sentence.

The minister said on one occasion that there were only six people who had been held more than 30 days. I am speaking from memory now. The *Telegram,* on the basis of information given to them by Mr. Mintz, who has been counsel for many of these people, had a list of about 22 people. I hope the correct information is in those documents which the minister tabled today.

I want to deal with one more matter, Mr. Chairman, and then finish by reading from a letter which the minister received. I do this to show that this kind of thing cannot help but bring our kind of justice into contempt. This case was reported in the Toronto newspapers on June 16 in which three people were brought before the magistrate and were permitted to go free until their trial, on bail of $500. The three people are Nick Polycratis, Peter Theodorou and Steve Kafouros. Bail was put up for them by a Mr. Bassel, acting

on behalf of the Greek-Canadian congress. Each of the three men was given his clothing and taken upstairs. But in each case the immigration department still had a hold order in force—so back down to the cells they went—

The Chairman: Order, please. I regret to interrupt the hon. member, but his time has expired.

Mr. Orlikow: I will only be about two minutes, Mr. Chairman. I wonder if I could have unanimous consent to finish my remarks.

The Chairman: Is this agreed?

Some hon. Members: Agreed.

Mr. Orlikow: In these three cases, back down to the cells they went, to take off their own clothing and put on the jail uniform again. I am sure the Minister of Justice could again read quite a lecture on how they were given bail and how these were proceedings against them in a criminal court; but the provisions of the Immigration Act, which we are going to discuss on another occasion, do not give the minister or the department the right to hold people in this way, and I am sure the minister thinks these people must have been very confused. I am sure they did not know which side was up by the time the magistrate had finished with them. To be told by a magistrate that they were free to go on bail, and then to be told they could not go until hours or days later, must certainly have been confusing.

I want to finish up by putting on the record a letter sent to the minister by Mr. Mintz and Mr. Weisdorf, both of whom work for the legal aid organization in Toronto and have had a good deal more experience with this kind of case than I. Their experience has been both hard and bitter. I will just quote a few paragraphs from the letter which they sent to the minister, which I think summarizes the situation better than I could:

> We request an admission from Mr. Tremblay that he recognizes the excesses carried out under the harsh, dictatorial provisions of the Immigration Act by his administrative officers.
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> Once this is conceded, the government should convene a royal commission to investigate the prevention of administrative excess in the future —either in the form of an amended Immigration Act, or in a uniform code of procedure for all administrative officers and tribunals, or in the institution of the office of ombudsman.
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> The abuses which the legal aid department has recently brought to light are certainly not limited to the department of immigration, but occur on every level of industry and government.
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> Wherever employees of any organization are given untrammelled power, unchecked by the judiciary and hidden from the light of public opinion, injustice is bound to occur.

[Mr. Orlikow.]

Mr. Chairman, I will end on those words to the minister and I hope that he will pay some attention to them in the next few weeks.

Mr. Favreau: Mr. Chairman, it is not my intention to deliver a lecture for the benefit of the hon. member for Winnipeg North, first of all because I am not too good at that sort of thing and I am afraid that having not taught at university for quite a few years I have probably lost touch with teaching. But one thing I do want to say, which is in no way intended to do away with any responsibility that any federal department may have, is that because of the division of responsibilities—I will not say powers, because I hate the use of that word under the British North America Act—between the federal government and the provincial governments it so happens that in the course of a few weeks or months one and the same person has to cope with authorities which in certain phases are federal and in certain phases are provincial.

The hon. gentleman was referring a few minutes ago to what happened to one person whose case went before the courts. The reason I raise the matter is because the interpreter involved was surely not a federal officer, and could not be given instructions by the federal Department of Citizenship and Immigration or the Department of Justice. Therefore, it was up to the court to decide whether or not, in view of the fact that this detainee was not perfectly possessed of either the French or English language, which are the two official languages of this country, he was not totally conversant with the consequences of his decision in deciding to plead guilty.

All I mean by that is that in a series of facts and circumstances one must try to ascribe responsibility to the proper authority. I do not mean to say that there was any wrong act or action on the part of the provincial authorities; I am not the judge of that. But surely it is important when dealing with a man who at certain moments falls within the jurisdiction of provincial authorities and at other moments falls within the jurisdiction of the federal authorities, not to charge the federal authorities only with the whole of the responsibility because the person concerned happened to have entered Canada illegally and is faced with the application of the Immigration Act.

I should like to give an example of this, and it is a converse example. The administration of justice in the provinces rests with the attorneys general of the provinces. Very often an attorney general, because of a conviction entered in one case, causes the person who has been prosecuted by him and who is condemned to more than two years in prison to be sent a federal penitentiary. From the moment that person enters the federal penitentiary it is surely no more the responsibility of the attorney general of the province to see to it that this man be treated according to standards otherwise applicable while he is within the confines of the penitentiary. It is up to the federal commissioner of penitentiaries and to the latter's subordinate officer to see to it that the proper standards be applied; and I say that from that moment on nobody could say that there is an onus upon that attorney general of the province, he having carried out his duty as attorney general and sent that person to the penitentiary, to see to it that that person in the penitentiary be dealt with according to the provisions of the bill of rights, or otherwise. This does not deny any of the responsibilities which under the federal statutes lie with the appropriate minister of any federal department, including myself.

Both the Minister of Citizenship and Immigration and myself have shown to what extent it is important that we must be satisfied in our own minds that we have been or will be discharging in the future our responsibilities in the most complete fashion. This has been proven, if you like, by the appointment of Mr. Sedgwick as counsel as early as last Friday, with the relatively broad terms of reference which were given to him. I mean by this that one must always be careful not to give the impression that all of the evils which might happen to a man must be blamed upon the department which, at one moment in that man's life, happened to have been dealing with him.

On the whole, Mr. Chairman, I must say, and I know the Minister of Citizenship and Immigration shares my view that we are all indebted to the hon. members in this house, because I know this is the only context in which these suggestions must be taken, for their co-operation in directing our attention to certain cases, which of course could not have been brought to the attention of the minister before or were not part of the minister's knowledge before. We should also like to thank them for making suggestions, which illustrates once more the importance of this great institution, the House of Commons, which by the method of questions, remarks, comments or statements, makes for a better and always more human administration, both of justice and the statutes of this country.

Mr. Brewin: Would the minister permit a question. I understand that the minister is recognizing another member who contributed to this debate, and although I should like to take part later in the debate I would like to ask a question now. Although it is true, as he says, that the administration of justice is a provincial responsibility, in cases such as immigration cases where the prosecution is initiated by the department and in which they are responsible to that extent for bringing the immigrant to court, is there any reason the minister can suggest why the department should not take the responsibility of seeing that the immigrant is in fact properly instructed as to his rights, has access to counsel, and has knowledge of the case to be made against him?

Does not the minister think that the good name and reputation of Canada require that the federal department, which initiates these prosecutions of persons for illegal entry into Canada, should also take the responsibility to see the legal proceedings which ensue are such that they are a credit to Canada, rather than the sort of thing we have been hearing about in the last few weeks?

Mr. Favreau: The remark just made by the hon. member corresponds to quite an exact degree with the statement made this afternoon by the Minister of Citizenship and Immigration, when he said he thought this particular measure was one that deserved very serious and thorough consideration. The only reason I made the remark was because the very act which was charged against one particular officer, that is, the interpreter in the case concerned—which was a positive act—could surely not be controlled at that moment by the Minister of Citizenship and Immigration or by the Department of Justice. But I agree we will have to go into this very serious question, the question of the general instructions at the very inception of a case, both to counsel and otherwise.

Mr. Fairweather: Does the Minister of Justice think that, if the federal department of citizenship had provided counsel, any such problem would have arisen with interpreters?

Mr. Favreau: I did not catch the latter part of the question.

Mr. Fairweather: Does this not point up the need for the federal government, through its Department of Citizenship and Immigration, to provide counsel to these citizens, or quasi citizens, so that problems with interpreters will not arise? Do the arguments the minister is using not point up the federal responsibility?

Mr. Favreau: Mr. Chairman, that would be a strict matter of opinion. I do not think there is responsibility incumbent upon the government, if everybody concerned at all levels performed their duty in a full and complete fashion; but I can only repeat that human beings being what they are, they are susceptible to error, and the Minister of Citizenship and Immigration was right in stating this afternoon that this was a matter to which he was bent on giving serious consideration.

[*Translation*]

Mr. Pigeon: Mr. Chairman, some time ago, I was surprised to learn that an important plant in the city of Joliette, that of the Consolidated Textile, which provides jobs to quite a few family heads, had decided to put aside its $3 million expansion project and transfer it to Alexandria, in the province of Ontario. That plant, which is already in operation in Joliette, was to add to its present establishment a weaving and dyeing plant which would have employed more than 200 persons.

The city of Joliette and the province of Quebec are losing this building project valued at $3 million, because the company would rather carry it out in an area designated as economically weak by the federal government, to benefit from tax incentives, that is, tax exemptions and benefits to be gained therefrom. That policy was announced by the federal government and particularly by the Minister of Industry (Mr. Drury).

In the Joliette area, there are already over 4,000 unemployed persons. As Joliette is not designated as a depressed area according to federal government standards, it follows that the province of Quebec and the city of Joliette are losing an important factory which employed more than 200 people.

I protest on behalf of the people of the county of Joliette-L'Assomption-Montcalm who surely do not deserve such punishment from the government. The people of my constituency pay taxes just as the people of any other constituency in the country, and I believe that this decision of the government to designate certain areas in the country as depressed areas, where factories benefit from tax exemptions, is detrimental to the economy of the Joliette region.

Mr. Chairman, several members are surprised by the revolution which is smouldering at the present time in French Canada and more especially in the province of Quebec. I can tell you that I am surprised that such a revolution, or unrest, did not take place 40 or 50 years ago. One of the reasons why the province of Quebec is the setting for that unrest is certainly that, from the economic viewpoint, it lags behind all the others. Therefore, the Quebec people want to make up for lost time and they are trying to find a formula to improve their economy.

Let me point out that the standard of living of the Quebec citizen is 10 per cent lower than that of the average Canadian and 27 per cent lower than that of the Ontario citizen.

We barely control 5 per cent of the economic activity of Canada, while our ethnic group represents 29 per cent of the population. In the province of Quebec itself, our group forms about 82.6 per cent of the population, but only controls 10 per cent of the economic activity, while we hold only 20 per cent of the key positions.

Mr. Chairman, about 40 per cent of the unemployed in Canada live in Quebec and the average income per capita in 1963 amounted approximately to $1,700 while it reached $2,000 in Ontario and $2,600 in the United States. While France and Belgium experienced heavy losses during the last world war, the average income per capita was $1,750 and $1,850.

Mr. Chairman, I can go on. The average income of the Quebec farmer is less than $1,200 per year.

In view of this situation the people of Quebec are justified in being concerned and in getting agitated so as to stir public opinion.

As for the federal government, the province of Quebec does not get its fair share. As a matter of fact, it only has 11 per cent of the railways built in Canada, and the federal government has cancelled the proposed building of a railway in the Gaspé peninsula, which would surely have provided a means of restoring economy in that part of our province.

On the federal level, French speaking Canadians do not get their fair share within the federal civil service. French speaking Canadians must be bilingual, whereas the other

element in our country only has to know one language.

In the province of Quebec, the rights of the minorities are respected. As a matter of fact, the English speaking minority enjoys the same rights, in the field of education, as the French speaking majority, whereas in most of the other provinces, the French speaking minority does not share equal rights with the English speaking majority.

The province of Quebec has contributed greatly to our country's development. It never lagged behind and, during the last world war, Quebec gave more soldiers, more of its children, to the Canadian army, proportionately speaking, than the other provinces. It did its share not only in men but also in money for peace.

Moreover, it must be remembered that from 1942 to 1947, Ottawa received $2,258,381,000 from Quebec and gave it back only $103 million. That shows, therefore, that the province of Quebec also did its war effort. It sacrificed a large share of its rights to enable the federal government to get the necessary income for its war effort and the maintenance of peace.

Mr. Chairman, the St. Jean Baptiste societies recently held an important convention in the province of Quebec. They adopted rather strong, energetic and categorical resolutions concerning the future of our country. Now, they feel that the time has come not only to revise our constitution, but to call all the provinces to a conference in order to find a definite solution and to give recognition to the existence of two free nations, both of which would carry out their destiny while remaining closely associated. In other words, Mr. Chairman, they would be in favour of convening a federal-provincial conference in the future to consider the possibility of setting up two national states if the majority of the people from Quebec—

Mr. Lamontagne: And two parties.

Mr. Pigeon: Mr. Chairman, the hon. member for Outremont-St. Jean (Mr. Lamontagne) just made a remark which I did not hear. I would be very happy if he would repeat it.

Mr. Lamontagne: And two parties.

Mr. Pigeon: Perhaps the hon. member for Outremont-St. Jean helped, by his centralizing theories, the change and the revolution which is going on in the province of Quebec. And everybody knows what the elite of that province thinks of his new brilliant formula, co-operative federalism. People know what Mr. René Lévesque and many citizens of the province of Quebec and even of the country think of it.

Mr. Lamontagne: Even the member for Three Rivers.

Mr. Pigeon: And it is probably this lucky find on the part of the Secretary of State, which induced the federation of the St. Jean Baptiste societies to draw this conclusion that it would be preferable if there were two associate states in Canada instead of a single federal state.

Mr. Chairman, I am always surprised to hear the English speaking members in this house wonder about the province of Quebec. They should not be worried, and if there is presently a revolution in the province of Quebec, this definitely concerns the inhabitants of the province of Quebec. I do not say that the inhabitants of the other provinces should not have a look at what goes on in the province of Quebec, but if the inhabitants of the other provinces and my English speaking colleagues really want to work in the interests of confederation, they simply have to advise their provincial governments to follow the example set by the province of Quebec in its handling of the English speaking minority in that province.

A great uneasiness prevailing in Canada at the present time certainly comes from failure to recognize our rights in regard to language and religious teaching in the provinces other than the province of Quebec.

Mr. Chairman, reference is made to national unity. People want a strong nation, but two bills are introduced in the house asking us to accept at the same time a maple leaf flag and the union jack.

Mr. Chairman, such a formula is not acceptable for the people of the province of Quebec, who want only one distinctive flag. On that flag, they want no symbol of the past, no fleur-de-lis, but they want a national distinctive flag, no matter if it has one or three maple leaves.

It is not that the province of Quebec does not hold the union jack or the red ensign in some veneration, but it will always object to the choice of a symbol other than a national distinctive flag.

Mr. Chairman, in two days, the French Canadians will celebrate their national day. Let me read an advertisement published in the newspaper *Le Devoir* this morning and paid for by Henry Morgan Company Limited, a large English store in the province of Quebec:

—and finally, since the sun was married with the fleur-de-lis as a modern sign of the French renewal in Quebec, it is no longer permitted to doubt, not of our survival, but of our living which is already radiant, brilliant and intensive.

Let us think of the 1,200 immigrants of the early days of the colony who developed to the point that they make up a people of some 5 or 6 million French Canadians forming a young, dynamic and forward-looking nation. French Canada, a living reality.

Mr. Chairman, in my opinion there are two nations in Canada, and I believe that French Canadians are numerous enough in this country to be considered a nation. This is what I believe, and I hope that the government will, as soon as possible, examine the important suggestions made by the St. Jean Baptiste society of the province of Quebec.

Canada should fully understand that we have to reach a compromise, to remake our Canadian constitution and, if necessary, in order to save Canada from annexation by the United States, recognize two associated states, which might have their own responsibilities and co-operate in the interest of this country's economy.

Mr. Lessard (Lake St. John): Mr. Chairman, may I ask the hon. member for Joliette-L'Assomption-Montcalm a question?

Mr. Pigeon: Yes.

Mr. Lessard (Lake St. John): Mr. Chairman, if I understood the hon. member rightly, he said that we, in Quebec, do not want to preserve any symbol of our past. Those are his exact words—

Mr. Pigeon: Excuse me—

Mr. Lessard (Lake St. John): Would you agree to the French language—which is also a symbol of our past—being completely abandoned, and a new language being spoken in the province of Quebec?

Mr. Pigeon: Mr. Chairman, I think that the hon. member for Lake St. John understood me. First of all, the French language is certainly not a symbol. When I was speaking of symbols, I meant flags. I said that the majority, at least 99 per cent of the people in the province of Quebec want a distinctive flag without any trace of the past. That is what they want, and that is what I said.

[*Text*]

Mr. Brewin: Mr. Chairman, I want to return to the subject of immigration. I regard it as one of very great importance because, although this is not always recognized, the good name and reputation of Canada throughout the world hinges to some extent upon the way that we in Canada through our immigration department treat those who come from all parts of the world. We know that they come to Canada from every part of the world at the present time. Very often they return to those countries, and the ideas they get of the administration of Canadian justice, the fairness of our laws, the consideration, kindness and understanding of the officials that they meet, are the hallmarks by which they judge Canada as a whole. Therefore, I make no apology for returning to this subject although I hope not to repeat what has been said earlier in the debate or to repeat some of the matters I have discussed on other occasions.

First of all, I should like to say at once that so far as I am concerned I do not propose to take part in any attack upon the minister or upon the staff which advises him. It is natural, as has been said, that in his department he should be subjected to a great deal of criticism. Personally, I have found both this minister and other ministers considerate, careful and conscientious about the individual cases that are drawn to their attention. I have absolutely no complaint whatever to make about the individual approach of the minister to these problems.

Having said that, I want to say at once that basically in the administration of our immigration, the system is rotten. I use the words "rotten system"—they may be strong words—advisedly and carefully. I must confess my disappointment that the minister, in making the announcement he has made, was not able to tell this house that certain positive steps were going to be taken. I appreciate the fact that the advice of an eminent lawyer such as Mr. Sedgwick will be helpful to the department. Knowing Mr. Sedgwick, and knowing the department, I hope that out of that advice will come certain worth-while things. However, no advice from a lawyer is going to substitute for the department itself deciding to go to the very root of the problem of immigration by deciding whether or not the would-be immigrant is, in fact, to have what parliament itself has said is required, namely a fair hearing under the act. I have said the system is a rotten system because the basic right to know the case that is made against you, the basic right to be able to defend yourself against hidden aspersions, is denied in practice.

The Immigration Act provides, as the minister well knows, a series of sections that entitle the would-be immigrant to a hearing.

My friend, the hon. member for Winnipeg North, has spoken about the need for having counsel. I have been counsel in hundreds of these cases. I tell the minister and I tell anybody who wants to listen, that the right to counsel itself is meaningless unless counsel, by some system that can be evolved can find out what is the basis of the objection to the admission of the person in question or, alternatively, why they are now being put out of the country. As long as we have what I can only describe as "phony" reasons such as, "You have not got a visa" or "You have not got a medical certificate", then an individual will not have a fair hearing. The department says: We will not tell you why; those are the reasons.

I do not know if the minister has at his fingertips how many immigration cases have been disposed of out of those 30 a week, on the grounds that "You do not have a visa" or "You do not have a medical certificate". I suspect the very large percentage of cases are being disposed of on these grounds. I say to the minister and to the house, therefore, that those grounds are virtually meaningless, because if you then inquire why the the person has not got a visa, why they refuse him a visa, they will not tell you. There may be some sort of police record that has been secured from the country of origin. There may be some health condition about which you do not know, which has been revealed on a medical examination. There may be innumerable reasons, good, bad or indifferent. However, behind this screen of reasons that are not given, any sort of discriminatory reason that an individual officer may have could operate to keep a would-be immigrant out of the country.

Does the minister feel any sense of justice? Could I feel any sense of justice if I wanted to bring my brother to this country from Italy or wherever he may be when I am told he cannot come because he does not have a visa? Why has he not got a visa? The department says, "We will not let you". I do not know what the reason is, but they do not tell you the real reason for not admitting a person. I say, therefore, that until the immigration department or Mr. Sedgwick, or anybody else, make up their minds to the fact that those who apply for admission to this country or who wish to bring their relatives into this country are entitled to a sort of basic hearing, the situation will not be rectified. I am not asking for a legal hearing where the evidence is disclosed in detail, but only for the basic elements of a fair hearing. So long as these elements are not conceded, then the minister will continue to be subjected to all sorts of criticisms, because the basic, elementary rule of justice does not apply to these would-be immigrants.

The reason I say it should be applied—I know there are difficulties—is that it would first of all enable the immigrant and his family to recognize that they have had justice. In addition, it would enable them, in many cases, to dispose of the objections that have been made. I have been fortunate enough in some cases in which I represented an immigrant to be told by the minister the reason for the objection, after all the proceedings were over. The minister has been good enough to say, "Well, this is the reason". Then, I have had a chance to look into the reason and find out that the reason was not of great substance. I have been able to persuade the minister to change his mind. This is fine; but this course is not available to the average person. This right to meet the objection is not available except in cases where the person is able to get a member of parliament or a qualified lawyer to take up his case.

It looks as though it were ten o'clock, Mr. Chairman. I have a few observations to make and I would prefer to make them tomorrow, —if it is ten o'clock.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader if we continue with interim supply tomorrow?

Mr. Favreau: In answer to the question by the hon. member for Winnipeg South Centre, I must say that tomorrow we will try to complete the debate on interim supply, and as soon as that debate is completed we will resume the debate on the flag resolution.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

COMMONWEALTH RELATIONS—REPORTED SPEECH IN BRITAIN BY ARNOLD HEENEY

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, on November 28, 1963, we find that on page 5199 of *Hansard* the Secretary of

State for External Affairs (Mr. Martin) is reported as saying this during a debate on external affairs:

> The nurturing of one of our cornerstones of foreign policy, the commonwealth, is a basic feature of our external policies. In the past few years membership has been progressively enlarged until today it embraces 16 sovereign states. The majority now are in Asia and in Africa. It is because of the special insight which the commonwealth gives us into the new forces which have emerged in the post-war era that we most value this unique association of states. The commonwealth practice of continuing consultation among members on matters of mutual concern is especially valuable in a world in which race and colour have too often tended to be divisive forces.

We can well imagine the minister making that statement with the organ-like clarity of voice which prompted one Texan visitor in the galleries on one occasion to go out and ask a member of the protective staff: "What is the name of that cathedral?"

In any event, I was horrified, on Friday, to pick up a copy of the Ottawa *Citizen* and see on the front page an article entitled "Commonwealth slipping—Heeney". It was written by Charles King and it went as follows:

> London—Canada's former ambassador in Washington today rejected the commonwealth as a "meaningful" political reality.
>
> He argued: "Whatever the future of the commonwealth, it can no longer be centred on London, nor, for the great majority of its members, clustered round the monarchy.
>
> Just two weeks before commonwealth prime ministers gather in London for an important conference, Arnold Heeney delivered his blockbuster to a British audience assembled by the Ditchley foundation, which calls itself "an active educational centre for British-American understanding."

Then the chairman of the Canadian section of the international joint commission had this to say—and it is in quotes:

> It seems to me unprofitable...to place undue emphasis nowadays on friendship and special relationship within the commonwealth. The winds of change...have laid bare the dry and brittle roots of much cherished doctrine.
>
> It is obvious enough that the commonwealth cannot recover nor achieve any meaningful degree of political cohesion. Nor does it seem likely that our economic relations will become much closer.

Now, in view of the minister's announcement of this government's policy with respect to the commonwealth, and after reading this article by such an important civil servant—a man who, I am informed, has never been known to express a single opinion on anything outside the minister's office previously, except on the weather—I was moved to ask the hon. gentleman this question: "Would the minister inform the house if that statement is a reflection of government policy and, if not, what right has this servant of the public to be making statements in contradiction of government policy?"

This matter was also brought to my attention by a number of other people who were certainly shocked at this statement by Mr. Arnold Heeney as reported from London, in contradiction to the attitude taken by this government toward the commonwealth. I am sure all of us here take strong exception to Mr. Heeney's opinion with respect to the present and future value of the commonwealth of nations of which we are a member.

I do not know how much more time I have. I have a number of authorities here, but I shall not have a chance to quote them. However, I have brought one particularly interesting authority with me and I should like to read briefly from page 12 of Lecture Series No. 2. This is from a lecture delivered at the University of British Columbia:

> The official does not make decisions. His responsibilities fall into two categories. First, it is his duty to inform and advise the political authority—usually the minister of his department. In the words of A.D.P. Heeney, himself one of the most distinguished of Canadian civil servants: "Decision is the prerogative of the minister."

Now I am quoting Mr. Heeney against Mr. Heeney. He goes on to say:

> But the expert must stick to his last. He must appreciate the limitations of his office. He must appreciate the limitations of his own expert knowledge. He has neither the experience nor the special kind of wisdom—let alone the authority—to govern.
>
> The second duty of the civil servant is to carry out the tasks imposed by the policy of the government, that is, to administer the law. President Cleveland summarized it in the single sentence: "Public officers are the servants and agents of the people, to execute the laws which the people have made."

I have drawn this matter to the attention of the house. I see my time has practically expired. I look forward to an explanation from the Secretary of State for External Affairs in answer to the questions I have raised.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman referred a few moments ago to the most recent statement in this house of government policy with regard to the commonwealth. From that statement it is clear, of course, that there is the fullest appreciation by the government, as there is by this house, of the importance of the commonwealth; and this will be highlighted at the commonwealth prime ministers' conference next month. While there have been changes

in the commonwealth, these changes do not in any way detract from the essential quality that makes it a valuable institution in this day of interdependence. There can be no doubt, then—as we are basically all agreed in this house and, as I think we are in most parts of this country—that the commonwealth is a vital institution.

I have not found in the statement of Mr. Heeney, which I have before me, anything warranting the conclusion that he does not share this opinion of the commonwealth's importance, although he does note that there are revolutionary processes with which all of us might not agree.

It was only late this morning that I first received the complete text of the Ditchley foundation lecture which Mr. Heeney delivered on June 19. The text is 45 pages long, and I hope that the hon. gentleman will take the opportunity of reading every word of it so that any isolated parts can be related to the main thesis. Upon publication of an article in the *Daily Express* of June 20 Mr. Heeney sent the Prime Minister (Mr. Pearson) a telegram in which he described the *Daily Express* article as "distorted and misleading and false in the impression it conveys". Among other things, that report describes Mr. Heeney as a former Canadian ambassador to London, which of course is incorrect on two grounds. In London we have a high commissioner, not an ambassador; and Mr. Heeney has never held that post. Mr. Heeney, in defence of his own position, calls the report "a distortion of what I had to say in a lecture of some 45 minutes from a carefully prepared text on the subject 'Friends and relations: A Canadian perspective on Anglo-American affairs' ". Mr. Heeney's telegram also says, "You are fully aware of my attachment to the commonwealth, and in fact this emerges from the text itself." I note that at page 12 of the text Mr. Heeney says:

> So, we Canadians assert a very special relationship with you in Britain, one hallowed by blood and treasured at every stage of our development from colony to nation, embracing within its friendly circle many principal elements in our national life, crowned by the monarchy itself.

Mr. Deputy Speaker: Order. I regret that I have to interrupt the hon. minister, but his time has expired.

Motion agreed to and the house adjourned at 10.11 p.m.

HOUSE OF COMMONS

Tuesday, June 23, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. GRÉGOIRE—REMARKS IN DEBATE ON JUNE 22

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I rise on a question of privilege with regard to the rather harsh remarks I made last night against the civil servants of the national revenue office in Quebec city.

In reading over *Hansard* this morning I noticed a remark which escaped me last night and that is why I rise today on a question of privilege.

The hon. member for Edmonton West (Mr. Lambert) is reported to have made that remark. He said, as reported on page 4579 of *Hansard*, English version, left hand column.

> The civil servants are not here to defend themselves. You are being cowardly.

And the Acting Minister of National Revenue (Mr. McIlraith) said then:

> —they cannot reply—to use language in reference to them that could not be used outside the house without incurring the responsibility consequent on such action.

And the hon. member for Winnipeg South Centre (Mr. Churchill) said:

> Spank him some more.

That is reported on page 4580, left hand column, of the English version of *Hansard*.

Mr. Speaker, I just want to say this. I was not being cowardly, I was not using improper language, because I am prepared to repeat outside the house, before the hon. member for Edmonton West (Mr. Lambert), the Acting Minister of National Revenue (Mr. McIlraith), the hon. member for Winnipeg South Centre (Mr. Churchill) and anyone they care to bring along, what I said here; I am ready to repeat my remarks any time outside the house, because I know that I was right in speaking as I did about those civil servants.

If those civil servants cannot defend themselves in the house, I am convinced that the taxpayers are even less able to defend themselves against theft by those income tax inspectors outside the house.

Mr. Lambert: It is even worse.

[*Text*]

BANKING AND COMMERCE

Fourth report of standing committee on banking and commerce—Mr. Pennell.

LABOUR CONDITIONS

STEPS TO DEAL WITH SEASONAL UNEMPLOYMENT DURING COMING WINTER

Hon. A. J. MacEachen (Minister of Labour): Although it is early summer, I should like to make a statement concerning the government's programs to attack seasonal unemployment next winter. While the employment situation has improved over the past year, the problem of seasonal unemployment will be with us again next winter. An announcement of the government's measures to increase winter employment is desirable at this time so as to allow municipalities and the construction industry adequate time to engage in advance planning.

The municipal winter works incentive program which has been so successful in providing additional winter employment at the local level will be continued next winter. The winter house building incentive program, introduced on an experimental basis last winter, was successful beyond all expectations. It will be carried out again during the winter of 1964-65.

Every effort will be made to improve the effectiveness of both the municipal winter works incentive program and the winter house building incentive program for the coming winter, and any modifications which may be desirable in this connection will be announced at a later date. The basic principles on which both these programs operate, however, will not be modified.

Hon. Michael Starr (Ontario): We are happy to hear that the government intends to continue these programs, particularly the municipal winter works program which was started in 1958-59 and which has met with tremendous success year after year. The municipalities have become increasingly aware

of the value of this program and are participating more actively each and every winter. As time goes on many more projects are being undertaken under this plan.

We are glad the government have decided to carry it on, and I hope they will continue to expand it in order to help those who would otherwise be seasonally unemployed. I might say in passing that the Secretary of State for External Affairs was one of those who disagreed with this program, but now he is smiling; he is happy about it because it has proved successful.

As far as the house building program is concerned, after only one winter's experience it has yet to be seen whether it will continue its impetus, and we look forward with interest to seeing whether this program will expand or whether it has been only a flash in the pan.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, we greatly appreciate the statement just made by the Minister of Labour (Mr. MacEachen) and the assurance he has given to municipalities and provinces to the effect that the winter works program will be continued and also his intention to increase the assistance provided to stir up housing construction during winter.

However, I should like to call the Minister of Labour's attention to certain conditions prevailing in some areas of our country, so that he may reconsider his decision to curtail the winter works period in the so-called designated areas or in those where severe weather conditions make it practically impossible to carry out some winter works.

I should like also to suggest to the minister that, among the projects that the municipalities can undertake under the provisions of the act concerning winter works incentives, there is the construction of buildings which could be rented by municipalities to small enterprises and secondary industries which cannot themselves put capital in the construction of large buildings. I know that certain municipalities consider erecting buildings which could be rented to agencies and small companies in the province of Quebec and throughout Canada which can produce nothing now but would then be able to produce. I believe that this would help designated areas by giving work to the available manpower and creating employment which could not exist otherwise.

I know that during the winter works period just terminated Quebec received a large share

of the amounts made available to the provinces. We are glad to see that for once a piece of legislation permits Quebec to obtain benefits it has never known before.

I commend the government for it, but I must also admit that this legislation had been first introduced by the previous government. It is a good piece of legislation which helps to alleviate unemployment, but we find that unemployment is still our main concern, especially in the province of Quebec where, according to the latest statistics, the largest number of unemployed persons, that is 38 per cent, is to be found.

I think the government, in co-operation with the Quebec government and the municipalities, should find some other solution to improve a situation which is unfavourable to our province, for it is largely responsible for the present difficulties and discontent. I hope the government will take advantage of the summer period to prepare programs to be announced in the fall and which will tend to markedly reduce unemployment.

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, of course, the winter works program supplies jobs for the unemployed during the most difficult period.

However, I wonder if the government deserves congratulations or should be made the butt of ridicule, because during the winter works period, steam shovels and bulldozers are left in heated garages or on parking lots, and while the temperature is often 20 or 30 below zero, men are employed on outside work; they have to dig for sewer systems and water works when the ground is frozen. That goes against common sense, against progress.

Mr. Speaker, I remind the government that it would now be possible to find other solutions to unemployment without compelling individuals to work in ditches in winter, when it is very cold, while tractors and steam shovels are left in heated garages.

We should try and find another method, another system; but under our absurd system, I admit that the Minister of Labour could not find another solution to get the men to work. Nevertheless, improvements should be made, as the hon. member for Lake St. John (Mr. Lessard) said a while ago.

Last year, we of the Ralliement Créditiste exerted pressures in order to have the winter works period extended in places where the weather is the most severe, so that they could enjoy the advantages provided by the legislation.

[*Text*]

Mr. Fisher: Carried.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I heard the hon. member for Port Arthur say "carried." I wish to draw to your attention the fact that when it is time to discuss western wheat many hon. members endlessly take the floor and we bear with them, because it is a problem with which their region is faced.

On the other hand, the hon. member for Port Arthur is always discussing problems which do not interest us and we do not interrupt him. Therefore, he should grant us the privilege to deal with the problems we are interested in.

Mr. Fisher: Carried.

Mr. Grégoire: Another observation, Mr. Speaker. The salary of those who carry out winter works is not the same all across the country. In fact, in certain regions or localities it varies from $2 to $2.25 per hour, while in some other places it is $1, $1.15 and $1.25 per hour.

I think that in setting the winter works period for next year, the minister should take steps to standardize the salary all across the country, so that everybody can earn a reasonable pay, that is $2 or $2.25 per hour.

[*Text*]

[*Later:*]

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Labour related to his earlier statement. Is the minister aware that housing starts dropped by 9.9 per cent in the month of May last and that this is due to the winter incentive program, as stated by the Canadian builders' association? Is the minister considering any announcement in this regard, or any expansion of the winter works program?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I am aware that in the past winter we had record construction activity in Canada. I am also aware that the doleful predictions made by members of the opposition as to the effect of the winter house building program have not been fulfilled, and that residential activity in Canada at the present time compares favourably with any preceding year, notwithstanding the winter housing program.

Mr. Winkler: It is starting to drop.

[*Later:*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Minister of Labour arising out of the statement he made earlier today. In view of the problem that many municipalities had during this last winter in completing by the deadline date some of the projects they undertook under the winter works program, and the consequent heavier load these municipalities had to bear to pay for them, is the minister or the government considering ways and means of allowing completion of certain projects that were under way, and were uncompleted because of inclement weather?

Mr. Speaker: It seems to me this is a question that requires a detailed answer. Would the hon. member put it on the order paper.

CANADA DAY

PROVISION FOR NAME FOR NATIONAL HOLIDAY ON JULY 1

Mr. Jean Chrétien (St. Maurice-Laflèche) moved for leave to introduce Bill No. C-104, to establish Canada day.

[*Translation*]

Some hon. Members: Explain.

Mr. Chrétien: Mr. Speaker, last year, after the celebration of our national day, July 1, several questions were put to the minister in the house concerning the proper designation of that day. In 1946 a bill similar to the one I am introducing now was passed by the House of Commons but was rejected by the Senate. In view of the numerous different designations used from one province to another, the hon. member for St. John's West (Mr. Cashin) and I felt that it would be appropriate to designate the national day of all Canadians, from sea to sea, Canada day or "Journée du Canada".

[*Text*]

THE MINISTRY

NATIONAL REVENUE—APPOINTMENT OF MINISTER

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I am sure the house would allow me to extend congratulations to the Secretary of State for External Affairs on this, the anniversary of his birthday. We wish him the very best. He shares this day with the Minister of Transport who, if he were here, would be joined in the

felicitations from us all. However, even in his absence we wish him the best.

I should like to direct a question to the Prime Minister. In view of the decision yesterday by the people of the Saskatoon constituency not to accept the proferred cabinet position, is the Prime Minister in a position to say when we can expect the appointment of a minister of national revenue so that department may receive the services of a full time minister rather than one who is only in an acting capacity?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have been giving a great deal of thought to this for some weeks and I am now in a position to say a decision will be made very shortly.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to return to a question directed a while ago by the Leader of the Opposition to the Prime Minister as regards the impending appointment of a minister of national revenue.

Does the Prime Minister intend to take into consideration the suggestions made by most of his party backbenchers so as to support the appointment of the parliamentary secretary to the Minister of Finance, the hon. member for Kingston (Mr. Benson), as minister of national revenue?

[*Text*]

Mr. Diefenbaker: Has the co-operation gone that far?

HEALTH AND WELFARE

CONSIDERATION OF ROYAL COMMISSION RECOMMENDATIONS BY DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Prime Minister whether any date has been set for the convening of a federal-provincial conference to study the recommendations of the Hall commission on health services.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. As I said yesterday, we in the federal government are studying these recommendations ourselves. As soon as we have come to some preliminary conclusions in regard to them then we shall get in touch with the provinces and try to ascertain what date would be convenient for them to meet us.

Mr. Douglas: As a supplementary question, may I ask the Prime Minister whether the government hopes to be able to call a conference within the six month period in which the commission recommends a conference be called.

Mr. Pearson: Subject to the agreement of the provinces on the date I would hope we could meet within the six months deadline.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, may I direct a question to the Secretary of State. Has the government considered extending an invitation to Sir Guy Powles, the New Zealand ombudsman, when he visits this country in September, to appear before the appropriate committee of the house?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I think it would be a good idea, if the committee is sitting at that time.

CANADIAN CONSTITUTION

SUGGESTED CHANGE IN NAME OF BRITISH NORTH AMERICA ACT

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. Since he has indicated his intention to put the study of repatriation of the Canadian constitution on the agenda of the next federal-provincial conference, could the right hon. Prime Minister suggest that the name of the act be changed? For instance, would he consider the title "Constitutional Act of Canada" to be appropriate for the Canadian constitution?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Well, Mr. Speaker, I think we ought to decide what we should put in the act before we worry about the title; but I did say, and I repeat it, that at the next federal-provincial conference in Charlottetown I would hope this matter would be on the agenda so we could see what progress can be made on this important matter which has occupied the attention of so many governments over so many years.

Mr. G. W. Baldwin (Peace River): As a supplementary question, may I ask the Prime Minister whether, in addition to this matter being placed on the agenda of the federal-provincial conference, it is also intended to reconvene the meetings of the provincial attorneys general and the Minister of Justice to deal with this very important subject.

Mr. Pearson: That would be one of the matters which should be discussed when the matter is on the agenda. I should point out that the federal-provincial conference in Charlottetown will be largely a ceremonial meeting in connection with the one hundredth anniversary of the Charlottetown conference, and it will not last very long. All we will be able to do at that conference is put the matter on the agenda before the provinces so we can then decide what could be done.

POST OFFICE DEPARTMENT

TRAIL, B.C.—REQUEST FOR INVESTIGATION INTO OVERTIME MAIL DELIVERY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Postmaster General, based on a lengthy telegram I have received from R. Kiever, president of local 400 of the mine, mill and smelter workers union. It appears that last evening between six and ten o'clock the postmen of the city of Trail were required to work overtime.

Some hon. Members: Shame.

Mr. Herridge: Mr. Speaker, I object to these interruptions, because anything that happens in Kootenay West is of national significance. They were required to work overtime in order to distribute a letter from the Consolidated Mining and Smelting Company to its employees in the city of Trail, pending a referendum being taken today on a labour dispute. There is not much objection to the material in this letter, but there is objection—

Mr. Speaker: Order. As one of the experienced members of the house, surely the hon. member could shorten that question by two minutes or so.

Mr. Herridge: I have just arrived at that point, Mr. Speaker. In view of the unusual circumstances of this special delivery, extra delivery, in the city of Trail, would the minister have this whole situation investigated and let the house know under what authority this was done?

Mr. Speaker: This is a question for the order paper.

CANADIAN BROADCASTING CORPORATION

REQUEST FOR SHOWING OF FILM RESPECTING PRIME MINISTER

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I want to ask the Prime Minister a question—

Mr. Grégoire: Carried.

Mr. Fisher: I wondered whether the Prime Minister had turned his mind to the problem of accepting or taking up the invitation presented to the house yesterday by the C.B.C. with regard to the Pearson film, particularly in view of the fact that procedurally it seems difficult.

Mr. Grégoire: Carried.

Mr. Speaker: Really, I have difficulty in understanding that question myself. Perhaps it is the heat; I do not know.

Mr. Fisher: Then I will put it in simple terms, Mr. Speaker. The C.B.C. yesterday, as I understand it, put an invitation before parliament for parliament to state that it wants the Pearson film shown. As I understand it, this is what they are looking for. How can this be done? Surely the onus is upon the government to inform us how this can be done.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, surely my hon. friend can contain his impatience and his desire to see this picture for the second time until tomorrow, when the board of directors of the C.B.C. are going to determine whether it should be shown publicly.

Mr. Fisher: A supplementary question, Mr. Speaker. There was nothing, as far as I can see, in that letter of yesterday that indicated the board of directors did not want this motion or approval from the house before their meeting.

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In view of the fact that the Broadcasting Act gives to the C.B.C. control of its own broadcasting, would the government ascertain whether it would be in order for the House of Commons by a resolution to interfere with the operation of that statute?

Mr. Pearson: That matter might be academic after the meeting tomorrow, Mr. Speaker.

Inquiries of the Ministry

TRADE

GATT—REQUEST FOR LIST OF CANADIAN GOODS TO BE CONSIDERED

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce. Could the minister tell the house whether his department has established a list of Canadian goods that will be recommended to the GATT meeting; and with regard to these goods is the government willing to publish the exact tariff reduction they propose on each one, or is it an across the board 50 per cent reduction?

Mr. Speaker: Would the hon. member put this question on the order paper.

U.S. CONSIDERATION OF COUNTERVAILING DUTIES ON AUTOMOBILES AND PARTS

On the order of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Has the minister or his department received formal notice that the treasury department of Washington is considering whether a countervailing duty should be imposed on the imports of Canadian cars and parts because of tariff action taken by this government on November 1?

Mr. Speaker: This is a question for the order paper.

WHEAT—POSSIBLE REDUCTION IN SALES TO RUSSIA

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Can the minister clarify his statement appearing in the Toronto *Globe and Mail* that prospects for wheat sales in the coming crop year are excellent, and that we might export 550 million bushels?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I thought what I said yesterday was clear. In the fall I said I thought that our exports this crop year would be of the order of 550 million bushels. Then I went on to say, in view of certain pessimistic statements made by some hon. members, that I now thought that our shipments would be of the order of 590 million bushels.

[Mr. Pearson.]

Mr. Horner (Acadia): Then are prospects for the coming crop year excellent whether or not Russia buys our wheat?

Mr. Sharp: That is what I said yesterday.

FINANCE

SUGGESTED CHANGES IN SMALL BUSINESS LOANS LEGISLATION

On the orders of the day:

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I wish to direct a very important question to the Minister of Finance.

As it is rumoured that the interest rate on small business loans will be increased this fall, can the Minister of Finance tell us whether he intends to propose changes in the Small Businesses Loans Act of 1960?

[*Text*]

Mr. Speaker: This question, if it is in order, is surely one for the order paper.

WORLD FAIR

SALES TAX ON MATERIALS USED IN CONSTRUCTING PAVILIONS

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question for the Minister of Finance. I wonder whether the minister is giving consideration to the suggestion by the Canadian Manufacturers' Association that the federal government should grant complete exemption from the 11 per cent sales tax on building materials used in constructing pavilions for expo 1967?

Hon. Walter L. Gordon (Minister of Finance): An announcement has already been made on that subject, Mr. Speaker.

Mr. MacEwan: A supplementary question, Mr. Speaker. Is the minister referring to the announcement that the federal government has agreed to write off in one year the full capital costs of building pavilions, for each company?

Mr. Gordon: I apologize to the hon. member, Mr. Speaker; that was the announcement to which I referred. There is no suggestion that these buildings should be exempt from sales tax.

ROYAL CANADIAN MINT

PRODUCTION OF COIN WITHOUT LIKENESS OF THE QUEEN

On the orders of the day:

Mr. Robert C. Coates (Cumberland): I have a question for the Minister of Finance, Mr. Speaker. Is it correct that the Royal Canadian Mint have in the planning stage a coin which will be without the likeness of the Queen?

Hon. Walter L. Gordon (Minister of Finance): I will be glad to inquire into this matter, Mr. Speaker. Not to my knowledge.

HOUSE OF COMMONS

INQUIRY AS TO SUMMER RECESS

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I would like to direct a question to the Prime Minister.

Considering that the two by-elections have gone by, considering also that the Leader of the Opposition seems to be in a good humour, does the Prime Minister intend to announce the summer recess right after the adoption of the distinctive Canadian flag, that is during the first week of July?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not think that the happiness engendered by the very satisfactory result of the two by-elections should interfere with our plans to work here most of July.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Perhaps I might address it, however, to the government house leader. In view of the fact that the prospect of a recess seems to be melting away, will the government house leader look into the possibility of arranging that, even so, the members of the staff of the House of Commons might in some way be able to get their holidays during the summer season, rather than having to wait for us until some time in the fall or winter?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, although I do not accept the assumption which prefaced the question, I am advised that the office staffs are now beginning to get their holidays in turn.

Mr. Knowles: Does that apply to sessional staff as well as to year round staff?

Mr. Favreau: I will look into the question completely, Mr. Speaker, and report as early as possible.

Inquiries of the Ministry

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister.

Could he tell us whether the house will be sitting on July 1, Canada day?

[*Text*]

Mr. Pearson: No decision has been reached on that point yet, Mr. Speaker.

EDUCATION

LOANS TO STUDENTS—INQUIRY AS TO LEGISLATION

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, could the government house leader inform the house when he anticipates bringing forward the student loan legislation for consideration by the house?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, the legislative program, as announced, is to first dispose of interim supply and then the flag resolution. We will be in a position to make further statements to the house on this matter when these two measures have been dealt with.

Mr. Starr: The flag first, and student loans second?

Mr. Winkler: Government obstruction.

BUSINESS OF THE HOUSE

CONSIDERATION OF ESTIMATES BY STANDING COMMITTEE

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to direct a question to the house leader. Could he advise the house whether it is the government's intention to take the initiative and convene the standing committee on estimates, in the light of the Prime Minister's preoccupation with main estimates, so that this committee, which has not sat under this present administration, could get on with the estimates of some departments, such as the Department of Justice?

Hon. Guy Favreau (Minister of Justice): I will consider the matter, Mr. Speaker, and answer the hon. gentleman as early as possible.

Inquiries of the Ministry

FISHERIES

REPORTED PRESENCE OF JAPANESE WHALING SHIP IN CANADIAN WATERS

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question which I was going to address to the Minister of Fisheries, but in his absence perhaps the Secretary of State for External Affairs will deal with it. I should like to ask the minister whether he has knowledge of the operation of a Japanese whaler inside Canadian territorial waters off the northeast coast of Vancouver island. If so, can he tell us whether this has been authorized by the Canadian government. If he has no knowledge of such an operation will he look into it and determine whether some unauthorized intrusion on Canadian sovereignty has taken place?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I shall see that this question is directed to the Minister of Fisheries. I have no knowledge in this regard.

Mr. Speaker, while I am on my feet may I thank the right hon. gentleman for his greetings today, which I am pleased to accept also on behalf of the Minister of Transport who shares with me the fact that today is our birthday anniversary.

IMMIGRATION

POSSIBLE SETTLEMENT OF ALGERIANS ON QUEBEC FARMS

On the orders of the day:

[*Translation*]

Mr. Gérard Perron (Beauce): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration concerning a statement made by him and the Quebec minister of agriculture about Algerian immigrants who are anxious to come over and settle as farmers in Canada.

Can the minister rely on the co-operation of other federal departments such as the Department of Agriculture which is responsible for the Farm Credit Corporation and the Department of Forestry which is responsible for the administration of the ARDA program, so as to provide the necessary funds for the establishment of these newcomers to Canada?

[*Text*]

Mr. Speaker: This is surely a question for the order paper.

[Mr. Favreau.]

[*Translation*]

Mr. Perron: Mr. Speaker, my question is intended once again for the Minister of Citizenship and Immigration and deals with the Algerian immigrants anxious to settle in Canada. The minister announced the impending arrival of those immigrants, but I should like to know approximately how many will soon be admitted to Canada as immigrants in order to take up farming?

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, applications are still being examined and I believe that 30 or 40 families at most will be coming here, as a first step in a future general policy.

Mr. Perron: Mr. Speaker, may I ask a supplementary question?

Could the minister tell us approximately what the settling up of these people on farms in the province of Quebec is going to cost the government, in each case?

Mr. Tremblay: Mr. Speaker, there will be no cost to the government, except the regular expenses we make in the case of immigrants.

Those immigrants will be able to apply to the Farm Credit Corporation and should a loan be granted it will mean that their application was taken into consideration, as any other application for a loan.

[*Text*]

INDIAN AFFAIRS

FORT WILLIAM, ONT.—REPORTED SEGREGATION OF STUDENTS

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration. Is the minister aware of the claim of the Ontario Indian-Eskimo association that Indian children attending a school at Fort William are being segregated from the rest of the students at the school? If so, what action is his department taking in the matter?

Mr. Speaker: This is a question for the order paper, as it requires a detailed answer.

WATER SAFETY

OWEN SOUND, ONT.—INADEQUACY OF LADDERS IN HARBOUR

On the orders of the day:

Mr. P. V. Noble (Grey North): I have a question for the Minister of Public Works. Due to the low water level in Owen Sound

harbour the ladders are now out of reach of anyone falling into the water, which may have contributed to a drowning which occurred there last week. Would the minister give consideration to having these ladders lengthened as well as installing more ladder accommodation?

Mr. Speaker: This is an important question, of course, but it is also one for the order paper.

AGRICULTURE

AMENDMENTS TO FARM IMPROVEMENT LOANS LEGISLATION

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a question for the Minister of Agriculture, but in his absence may I ask the house leader when we might expect the amendments to the Farm Improvement Loans Act to be brought before parliament.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, in answer to the hon. gentleman I must advise the house that the Minister of Agriculture is presently in hospital for an indefinite period with a very serious condition. I will communicate with him and will be in a position to advise the house somewhat later as to this.

CANADIAN COMMERCIAL CORPORATION

TRANSFER OF EMPLOYEES TO DEPARTMENT OF INDUSTRY

On the orders of the day:

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, some weeks ago the Leader of the Opposition asked a question about the transfer of employees of the Canadian Commercial Corporation to the Department of Industry, and I said that inquiries had been made into the circumstances surrounding that matter. Inquiries have been made and discussions have been held with the civil service commissioners concerning the respective responsibilities of the government and the commission in such cases, and I should like to make a short statement in reply to the question of my right hon. friend.

Mr. Lambert: Revert to motions.

Mr. Pearson: I am answering a question which was asked.

Mr. Lambert: This is a statement.

Mr. Pearson: When employees of an exempt agency are transferred to a department or agency which is subject to the Civil Service Act, the civil service commission is required under that act to determine the classification and grade for which those employees are qualified. This procedure was followed in connection with the transfer of employees of the Canadian Commercial Corporation to the Department of Industry. The government has decided that where a function and staff are transferred in this way, the employees concerned should not suffer a reduction in salary. Employees who are rated by the civil service commission in classifications having a lesser salary will be paid their former rate of pay until such time as the rate attaching to the classification in which they are being certified becomes equal to that former rate.

In line with this policy the employees of the Canadian Commercial Corporation transferred to the Department of Industry who are filling positions at classifications for which the rate of pay is lower than the rate paid by the corporation will be paid on transfer at their former rate. As hon. members will have seen, a number of the employees who would be affected by this policy have appealed to the civil service commission against the classification they have been given, and the effect of the new policy in each of these cases will naturally depend on the outcome of the appeal.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in view of the added statement at the end may I thank the Prime Minister for following the suggestion made in this connection, in order to remove what was an apparent injustice.

AWARDS AND DECORATIONS

POLICY RESPECTING GRANTING OF HONOURS BY FOREIGN GOVERNMENTS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should now like to direct a question to the Prime Minister having regard to an announced foreign award to a Canadian within the last few days. Has there been any change of policy in regard to the awarding of honours and decorations by foreign states to Canadians? In other words, has there been any change in the accepted policy that awards and decorations by foreign states should not be accepted by Canadians unless approved by the Prime Minister?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there has been no change whatever in the policy which has been followed in this matter for a good many years.

Mr. Diefenbaker: There has been no order in council altering the situation in this respect in any way, or placing foreign powers in a higher position relative to the granting of honours to Canadians than that possessed by Her Majesty the Queen?

Mr. Pearson: To my knowledge, Mr. Speaker, there has been no change.

GRAIN

PRINCE RUPERT, B.C.—INCREASE IN ELEVATOR CAPACITY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Acting Minister of Agriculture, and I am sure I speak for everyone in the house in expressing our regrets that the minister is hospitalized. We wish him a speedy recovery from his ailment. I wonder if I can ask whether, in the course of the absence of the minister, the acting minister will be in a position to make any decision regarding the grain elevator at Prince Rupert?

Hon. René Tremblay (Acting Minister of Agriculture): I will take this question as notice, Mr. Speaker.

CANADIAN CENTENNIAL

JOINT PARTICIPATION IN CELEBRATION BY CANADA AND U.S.

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Secretary of State. Has the hon. gentleman any information he can give the house with respect to legislation coming before the Senate of the United States which will provide for joint participation by the United States and Canada in the 1967 centenary celebrations?

Hon. Maurice Lamontagne (Secretary of State): No, Mr. Speaker.

SUPPLY

INTERIM SUPPLY

The house resumed, from Monday, June 22, consideration in committee of the following resolution—Mr. McIlraith—Mr. Lamoureux in the chair:

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

[Mr. Pearson.]

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the said main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a (schedule C) of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

Mr. Brewin: May I briefly recapitulate the points I was making yesterday before the committee adjourned at ten o'clock. I said then that I had no complaint whatever to make about the minister or his staff with respect to the way in which they dealt with individual cases brought to their attention. My quarrel was with the system which I described—and I did so deliberately—as a rotten system.

In my view that strong expression of opinion is justified for this reason. Parliament has in fact, contrary I suggest to what the minister said or implied, conferred on prospective immigrants a statutory right. This is not a statutory right to enter the country absolutely, but it is a statutory right under the act to the benefit of a hearing to determine whether they are admissible in accordance with the standards set out in the act and the regulations. This statutory right is denied in practice. The reasons which are given for denying the right to a hearing are meaningless; statements such as "You do not have a visa". Of course the only authority which can grant a visa is the department itself, and the department has already refused to give a visa, and refused, also, to give any reason for withholding a visa.

The minister told the committee that he is getting advice as to immigration procedure from an eminent lawyer, Mr. Sedgwick. That is all very well. I do not complain about it; I think Mr. Sedgwick could be helpful. But let me say this to the minister. We have absolutely no need of an eminent lawyer to discover that a hearing without disclosure of the real grounds for rejection is practically meaningless; it is not, in fact, a fair hearing. There are plenty of lawyers on both sides of this house who are perfectly capable of informing the minister of the elementary principle involved, which is this. Before any important question affecting the rights of an individual is determined, that individual

should have the right to be heard, and this means knowing why he is being denied the right he is seeking.

This is an elementary principle of justice, and there are dozens of cases to support my contention. As I say, we need not go outside this house, or beyond the lawyers who sit on the hon. gentleman's side of the house, to find that this principle has long been recognized. The courts have made it abundantly clear. As long ago as 1932 Mr. Justice Duff in a supreme court case described immigration proceedings with which he was dealing as "hugger-mugger". Mr. Justice Rand, in the Supreme Court of Canada and Mr. Justice Aylesworth in the Brent case, in the court of appeal, as I recall it, described similar proceedings as farcical.

This farcical procedure, this "hugger-mugger", is still going on. Indeed, it is the standard procedure in immigration matters. It negates the bill of rights. The bill of rights says that no act of parliament shall be construed or applied so as to deprive a person of the right of a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations. This solemn undertaking made by parliament and given to the people of Canada is flouted almost daily in immigration proceedings as a result of which people seeking to exercise a statutory right to come to Canada—if they can comply with the standards of admission—are deported on meaningless grounds after a mere parade of words which conceals the real reason for rejection.

I know there is a reason for this, but I suggest to the minister and the committee that it is not an adequate reason. The basis is said to be the need for security, and it is contended that in many of these cases reasons for non-admission cannot be disclosed without breaking faith with some outside source. I say to the minister, what crimes are committed in the name of security; what unjust, misleading lists of so-called subversives have been compiled on the basis of gossip, malice and sheer stupidity. I suggest that if there are security reasons for refusing, for example, a son in Canada the right to bring his parents to this country, or parents the right to bring their children, or a husband the right to have his wife join him here, such grounds should be carefully scrutinized by an independent judicial tribunal having full access to all the facts available to the department. Nothing short of such a full review will refute the belief that security reasons are sometimes advanced as a smokescreen to hide less creditable motives.

What do I suggest is the remedy? I recognize it is not enough simply to complain about the administration of this act and its regulations. First of all, I say there is no one remedy. The first step toward a remedy is that the department should decide in all cases except where serious security questions are in issue to disclose fully the real reasons for refusal of admission.

I say that I am personally acquainted with cases in which the real reason for refusal of admission was totally different from that advanced in the formal record, yet had nothing whatever to do with security reasons when it was looked into. Let the department decide, without getting the advice of eminent lawyers, to make fuller disclosure of the reasons. Let it take the advice of members of the house, for example, and decide that it will disclose these things more fully.

Second, I suggest that an independent judicial review of an administrative nature is required in all cases of refusal of admission. The appeal board should be given full access to the real reasons for rejection, and they should be given the power to recommend clemency or suspension of the full letter of the law on compassionate grounds.

Third, I suggest there should be a parliamentary committee charged with the responsibility of reviewing the immigration laws and regulations and their administration. I believe it is this parliament that has the primary responsibility for ensuring that the laws it makes are applied with fairness and justice to those who seek to come to Canada, and I urge that such a parliamentary committee, if no appropriate committee exists, be established not just to examine this matter now but to carry on a review throughout the years. I suggest that this will relieve succeeding ministers from the frequent embarrassment to which they are subject when parliament does not have an established right to look into these matters.

Fourth, I recommend that there should be something in the nature of an immigration ombudsman, if I may use that term, some independent parliamentary commissioner who would be able to advise both members of parliament and individuals, who would have full access to immigration records. In cases where in his judgment he thought there was some unfairness or injustice produced, he would have the duty of reporting to parliament.

Lastly, Mr. Chairman, the minister needs no eminent counsel to advise him that the traces of discrimination that remain in the act and the regulations should be removed. These overt references to discrimination on racial grounds should be wiped out. The house will recall that in the past the act and the regulations clearly and explicitly referred to discrimination on racial grounds as a basis of Canadian policy. Fortunately most of that has disappeared, but I have called the attention of the house and the minister to the fact that sections remain which deal specifically with this form of discrimination. I give as an example section 61, I think it is, of the Immigration Act. I have introduced a private members' bill, No. C-69, which will not be reached during this session. I would not feel badly at all if the minister would say he would take the onus of removing this section from the Immigration Act which refers specifically to racial discrimination.

On this score I recommend that the minister should take another look at regulation 31. This is the main regulation dealing with the admission of relatives, and I urge him to see whether it cannot be amended so there will be no explicit discrimination in the regulations. I remind the house and the minister that there is one section which imposes harsh and narrow standards for the admission of people who come from Asia or Africa but far more liberal standards of admission for those who come from Europe or America. In the world as we have it today I do not believe there is any room for this continuing discrimination on geographical or on racial grounds.

I cannot leave this subject without expressing the hope that we can change the immigration administration so that no one can be expelled without the reasons therefor being given. Let us make sure that the will of parliament as expressed in the Immigration Act is not flouted from day to day and that the principles of natural justice, which are familiar to every member of the house, are brought into play in the daily administration of these regulations. I believe this would then predispose immigration officers to treat immigrants as though they were persons with rights.

I have heard too often that these people have no rights. They have rights. Parliament has given them rights. As long as these rights are flouted in practice the officers themselves can hardly be blamed for treating these people as though they do not matter very much and in some cases, for example, letting them languish in jail beyond any reasonable time. I suggest that what is basically important is that we recognize that these people who come from various parts of the world are human beings who are entitled to be treated with dignity as human beings.

I want to close by saying to the minister that many ministers have struggled with the problem of the Immigration Act and regulations. He is by no means the first to do this. Many of them have made promises as to what they were going to do and how they were going to change everything. I say the minister has a wonderful opportunity to score a real break-through in this area, a break-through that has eluded his predecessors.

I do not particularly think the advice of eminent lawyers is what is required. I think a basic change of heart and a recognition of the rights of these immigrants are what is in issue. Therefore I have refrained and intend to continue to refrain from hurling insults and criticisms at the minister himself, but I say to him that I hope he will take the opportunity that is his to make a real break-through in this regard so that Canadians can be proud of their immigration laws and can hold their heads high anywhere in the world when discussing immigration matters.

Mr. Macaluso: Mr. Chairman, I do not wish to take much of the time of the committee now, as I understand the estimates of the department will be coming forward in the very near future. However, I do want to make a few remarks on the general topic of immigration and the Department of Citizenship and Immigration. First of all I want to extend my congratulations to the hon. member for Greenwood on the remarks he has made today. I certainly wish to associate myself with what he has said and the remedies he has suggested to the committee.

One of the most frustrating things that a member of parliament or any individual dealing with immigration matters encounters is not being able to obtain the reasons for a person being refused admission to the country. Perhaps there are logical reasons for this stand, but to date I have not been able to find out why this position is taken. As the hon. member for Greenwood has stated, on many occasions the only reason given is security. What does "security" mean? It is a nebulous term unless it is defined, unless we are made aware of what are the security reasons and what precautions are being taken.

At the present time the security reason is not known. It is very difficult to explain to a sponsor who comes to your office that his son or daughter and son in law have been refused admission on security grounds. I say to the minister that this matter has to be reviewed very carefully because the word "security" alone is not sufficient.

Dealing with general immigration practice, Mr. Chairman, I would point out that some three years ago it was decided that the emphasis with regard to immigration would be placed on those with skills and education, and I think this is good. However, this policy is being interpreted in too restrictive a manner. It is being used as a disguise and smokescreen to justify the refusal of immigrants who wish to come to this country. It is too restrictive.

A sponsor who wants to bring his son or daughter or orphan nephew to this country receives a form letter from the department saying they do not meet the requirements of the Immigration Act, and therefore consideration cannot be given at this time to allowing so and so to enter the country. These are the only reasons given, and I think it is time this policy was reviewed. There is a growing recognition that Canada's immigration facilities are inadequate, and we certainly want more immigrants who will become Canadian citizens. In the 1960's, as in the 1860's, Canada is the most underpopulated country in the world, yet we encompass a greater land area than any other nation except perhaps the U.S.S.R. If the minister really wants a more ambitious program to attract the kind of skilled immigrants we need, then we will have to take off our kid gloves and fight a strong battle with our most active competitors, especially Australia and South Africa.

If the present economic expansion should be slowed down for the lack of skilled workers, many economists state that the unskilled workers will suffer. The decision three years ago by the previous Conservative government to put the immigration emphasis on skills rather than race or country has placed Canada in direct competition with other nations. No longer do the skilled people migrate from Britain or Europe out of desperation or fear. Europe today has a generally high standard of employment and living. Canada's continuing policy "If you want to come", is not good enough for today. The people from Britain and western Europe have to be wooed and won. The skilled people in Europe are remaining in Europe today.

I must compliment the minister on a recent speech he made in which he stated:

> We need an active immigration policy, better facilities, better personnel, more personnel, more contact with other governments and more publicity.

I could not agree more with this statement, Mr. Chairman. I doubt if the department, as it is presently constituted, can launch an aggressive, active program to obtain more immigrants. We have some 32 offices abroad staffed by some 350 people. This is a ridiculous number of people to be staffing these offices. In my opinion there are not enough offices. Perhaps the minister's remarks portend a greater activity in this field.

We have heard a great deal, Mr. Chairman, about changes in the Immigration Act and in immigration regulations. In my opinion the biggest sin in our immigration policy today is that it is being dealt with by regulation rather than by an act. We need a sound Immigration Act to which we can look for enforcement, to which we can look for an aggressive policy of immigration. We should be able to look to the Immigration Act and say, this is our immigration policy. The regulations are really only a smokescreen, as the hon. member for Greenwood said.

The regulations leave too much to the discretion of departmental officials, not only those abroad but those in Canada today. There is too much power in the hands of departmental officials because there is vagueness in the regulations. Vagueness breeds power and, so far as I am concerned, vagueness breeds all kinds of definitions which cannot be pinned down. The time has come, therefore, when there should be an overhaul of our Immigration Act and regulations. I am not one who believes in immigration policy by regulation. We can only benefit from a liberalization of our immigration policy. Newcomers influence our economy in many, many ways. They contribute to manpower. They participate in establishing new industries. In fact they promote employment for Canadian workers and many times they repopulate our farms. They become important consumers who bring with them immense sums of capital and personal effects.

I should like to deal very briefly with the problem of Chinese immigration from Hong Kong. I hope the minister will be able to answer these questions. I understand that

immigration offices have been opened in Cairo and Beirut. I have nothing against immigration from these two parts of the world, and presumably there were good reasons for the opening of these offices. However, in 1962 only 964 immigrants came from Egypt and 292 from Lebanon. We have offices in other countries such as Italy, France where we have two, Hong Kong. I do not believe we have sufficient staff in Italy where we only have the one office in Rome. So far as I am concerned this is a disgraceful situation, not only because the department cannot handle the volume of applicants but because the applicants cannot be examined. Surely in a country from which there is a great volume of immigrants we should have better facilities, more personnel and at least two offices, one for the northern part of the country and one for the southern part.

We know the discrimination that has been practised in Hong Kong. The minister, in his speech yesterday, mentioned the organization of many rackets for illegal entry of immigrants. This is not more prevalent anywhere than in Hong Kong today or in the past few years. The Chinese people have had a problem, and I feel that problem is one that we have created. There is a great backlog of applicants in Hong Kong. No one knows what happens to these applicants. I have had exerience with many of them, and when the sponsors in Canada make application for these people in Hong Kong, sometimes these people are not heard from for a year or longer. The representatives of the Chinese community submitted a brief to the former minister of citizenship and immigration, now the Minister of Justice, in which they requested improvements in the machinery for admitting their relatives to Canada. They have suggested various remedies, one of which was the establishment of an independent tribunal, as mentioned by the hon. member for Greenwood. This independent tribunal would verify the bona fides of the Chinese immigrants.

This brief suggested also the admittance of sons and daughters of Chinese Canadian residents irrespective of age or marital status; the elimination of existing delays in the applications of sponsored relatives; the discontinuance of the prosecution of Chinese for past illegal entries into Canada. I am happy to say that as soon as this government took office this practice, established by the former administration, was eliminated.

Mr. Woolliams: I wonder if the hon. member will permit a question.

[Mr. Macaluso.]

Mr. Macaluso: I will as soon as I am finished. Our immigration, not only from Hong Kong but from Great Britain and all other countries, has been most unsatisfactory for several years. I wonder at times what is wrong. Is our immigration geared to bringing people in or keeping them out? I wonder at times, Mr. Chairman, why we speak very actively and very aggressively about immigration, but we really have not done too much about it over the past 10 or 15 years. I believe the last year in which there was active immigration was right after the war and in 1956 after the Hungarian uprising. Since that time we have not done too much about it. Our staffs are poorly paid; the personnel is not too strong. I sincerely ask the minister, when he is reviewing policy, to deal with these matters as soon as possible in order to alleviate this backlog of applications.

I should like to mention one other matter, Mr. Chairman; the Canadian citizenship courts. I believe this was a policy the former government established, and it was a good policy. I believe that today the immigrant who goes to one of these courts to obtain his certificate of citizenship, receives it with pride. I should like to mention the ceremonies that are performed by the court president and the great job that is done in the city of Hamilton by the I.O.D.E. in their reception for these people after the ceremonies, and by the city officials themselves. I know that they felt more pride in becoming citizens of this country. However, I believe the minister should very actively review the questions that are being asked by some of the citizenship court presidents. When immigrants go to fill out their applications for Canadian certificates of citizenship and are examined, many of the examinations are held in camera. Applicants at times are very nervous, and they are asked certain questions by the president of the citizenship court. Because of a lack of complete understanding of the language they may be at a disadvantage.

This is something I have discussed with the minister on many occasions. I have also talked about it with some other hon. members on this side of the chamber, and we are agreed there is no uniformity in the examination of applicants for citizenship papers. This is something that causes hardship. When I am in my offices at home people come and ask me why they have been refused citizenship, and tell me they have been remanded for one or two years. The explanation is simple. A person must have an understanding of the

English or French language, and this is only right. It is very difficult to obtain employment in this country if one does not have an understanding of the languages of the country, and sometimes of the geography of the country.

On occasion applicants have been asked how many square miles there are in Canada, what is the largest or smallest river, and who is the lieutenant governor of B.C. These are questions which are asked of people in Hamilton. They are unfair questions; many of us could not answer them ourselves. I urge the minister to see to it that there is some form of uniform examination, and I suggest that a booklet be prepared and sent to citizenship court presidents outlining procedures for a uniform examination.

I do not say this is the case with all the presidents of the courts. I know of instances where excellent examinations are conducted, but I also know of cases where the examinations are not just or equitable. When he is summing up later on I hope the minister will outline what he intends to do regarding citizenship court presidents and our offices abroad.

I now turn to another matter. The policy of the Liberal party in the general elections of 1962 and 1963 called for an appeal tribunal to be set up. I quote from that policy:

> Decisions of immigration officials will be subject to review by appropriate and independent tribunals.

I urge the minister to advise the committee when this policy will be implemented. I shall now accept the question from the hon. member for Bow River.

Mr. Woolliams: The question is a short one. Is it not a fact that during the time hon. Mrs. Fairclough was minister of citizenship and immigration the regulations were changed which affect the Chinese and other people from that area? Is not that a fair comment in that regard?

Mr. Macaluso: No, Mr. Chairman, I say it is not a fair comment in that regard. I do not say this critically, but at no time were the regulations affecting the Chinese alleviated; let us put it that way. In fact it was the opposite. At no time was there more action to deport Chinese citizens who came in illegally. This is not a criticism, because I believe it was the duty of the departmental officials to concern themselves with those who came into the country illegally. I do not make any criticism of that policy, but I do not follow the hon. member for Bow River when he says the regulations were changed. Perhaps they may have been.

Mr. Woolliams: I do not want to make a speech at this time, but if the hon. member will check *Hansard* he will see that the regulations affecting the Chinese and other people from that area were changed so they were given equal status in coming to Canada with people from other lands. Whether the departmental officials started to implement that immediately might be another question, but I say to the hon. member that if he checks *Hansard* he will find the regulations, in fact and by number, were changed so they were given equal status with people coming from Europe and other lands.

Mr. Macaluso: I will say this; I agree the regulations were changed so that the qualification regarding race and country of origin was thrown out and the emphasis was placed on education and skills. As I stated previously, the interpretations of these regulations is being used as a smokescreen. The hon. member and I are not in disagreement, but there is ministerial discretion even in that case, and this applies to all ministers who have held the citizenship portfolio. The regulation was made uniform regarding education and skills, but there is still discrimination in the regulations, and when you examine section 31 you find this discrimination is still practised in the department or by some officials.

I repeat that Canada today needs skilled people, educated people, but we are finding it more and more difficult to compete and we need an aggressive policy in order to take advantage of that situation.

Mr. Nugent: Mr. Chairman, it is 11 days since debate on interim supply started. At that time I opened up on the subject of citizenship and immigration and said many people had spent a lot of time in jail without legal justification, without excuse, and apparently without enough attention being paid by the minister. The attitude has changed slightly since then, in that now we have the appointment of Mr. Sedgwick, who is going to inquire into some of these matters.

I must congratulate the government on the choice of its appointee. Mr. Sedgwick is a most capable man, and I am sure the advice he gives the government will be most helpful. It has been previously mentioned that the type and exact scope of the inquiry are a little indefinite. The minister has made it plain it is not under the Inquiries Act, but when pushed as to how far he will go and what

representations he will receive, he places the scope of that inquiry closer and closer to a full scale inquiry under the Inquiries Act.

The minister's attitude has been revealed throughout, ever since this question was first raised by hon. members asking why it was that certain people had been held in jail so long. My first observation on the attitude of the minister was that he did not seem to understand the seriousness of the allegations made. Apparently it did not occur to the minister that merely because an individual may be in the country illegally, or that he may happen to be a lawbreaker to some extent, does not excuse any government officials or anyone else taking away his legal rights.

The minister has seemed to fail to understand that he as the head of a department, and especially as head of the Department of Citizenship and Immigration where the rights of individuals can be so easily tampered with and where there can be so much hardship caused by the ordinary routines of the department, has a very special duty to know and comprehend the meanings and duties and actions of his officers. When there is an allegation made that people have been denied legal counsel, or that they have not been able to get in touch with relatives, or that they have not been admitted to bail even in the ordinary courts of the land where people appear on various charges, the minister should be aware that sometimes these allegations are made by long time Canadian citizens, by people who have their friends and relatives around, people who speak our languages, who are familiar with counsel in their own cities and who have people willing to provide bail for them.

I find that the minister ignored completely the fact that in the ordinary enforcement of law in this country, law enforcement officers can become so zealous in their duty, so determined to put a lawbreaker behind bars, that they themselves are the first to deny the accused his legal rights. Certainly the minister should comprehend that the position of our courts of justice in this country is to stand between the law enforcement agencies and the threat of overzealous action interfering with the liberty of the individual. As I said when I started on this point, Mr. Chairman, so precious is the liberty of the individual that it takes priority 10 to 1 over the possibility of an accused who is actually guilty going free.

The Minister of Citizenship and Immigration has a stronger reason than even a judge of the court. His is a double duty. The tribunals that hear these applications, that hold these hearings as to whether or not someone should stay, are acting in a judicial capacity. The minister has the right to review those decisions himself. If the minister is going to be as slow as he appeared to be in this house day after day, seemingly concerned only with protecting departmental officials and relatively unconcerned with the possibility of injustice in his department, I do not see how he thinks he can hold himself fit to review decisions of a judicial nature. Added to the ordinary complications of a citizen who is arrested by the police and charged with a crime are, in this case, the difficulties of language; perhaps no friends or relatives; perhaps little or no knowledge of our judicial process; little or no knowledge of our immigration procedures, rules and regulations. On top of these natural difficulties in trying to assure for himself a fair trial, that individual is likely to be subjected to the threat of prosecution as an illegal immigrant.

I suggest that the recent increase in charges of this type being laid should have been a warning to the minister—something that he should have looked at very carefully the first time he heard of people being held in jail a long time, or the first time he heard of any injustice being suffered by these people—that perhaps the dedication of overzealous civil servants in his department to get information, to find out how many illegal immigrants there are, to do their job thoroughly and try to root them out, could lead to the threat of a criminal charge being used as a sort of blackmail, as a club over their head. This is not at all far fetched, Mr. Chairman; this is the logical outcome of a dedication to one aspect of a duty, which is to pick out those people who according to law should not be here.

It is not those officials I am criticizing so much, because certainly if we are to have our laws respected and if we are going to have admitted to this country only that type of people who we think will be a credit to Canada, we need dedicated people; we need dedicated enforcement officers, be they law enforcement officers or immigration officials. But we also need some balance. We need the minister to remember his position; we need the minister to remember what a court of justice is. A court of justice is not there to send people to jail; it is there to protect the liberty of the individual. I submit to the minister that he has completely ignored that aspect of his duty with regard to the actions of his department. I may say, Mr. Chairman,

that I am not really shocked, because the minister has been consistent, as a minister of this government in this house, in his slowness in responding to questions. I have watched as questions were asked, and the minister was, if not arrogant, certainly hesitant to even talk about it at all. Next he resorted to those bland assurances that we always get from this government. There was anything but an honest, straightforward answer containing the required information, given at once.

This is consistent with the behaviour of all ministers in this government. When there is a realization in the minister's mind finally that this case is more than just a storm in a teacup, that the matter is not going to be dropped, that there is more than a little suspicion that there is much injustice to be cleaned up, and therefore perhaps things in his department are not running as smoothly as they should and with as much justice as we would like to see, he acts in the typical manner of the ministers of this government and starts to be pushed and edged toward things just a little.

Where is that bold action that we would have expected; the recognition of a problem and the action this government should take? I submit that when the minister first started to hint that he was going to have an investigation, it seemed to me it was going to be someone in his own department upon whom he could rely, and next he was sort of going to have somebody outside the department to look into this problem. Then he announced that there was going to be a real inquiry, and in response to further questions it appears that the inquiry may have something of the scope of an inquiry under the Inquiries Act. I would not be surprised if the minister ended up with a formal commission of inquiry. I submit to the minister that in these days, when we hear so much complaint about the house not being able to get the business done, that we take too long with our business, if the minister would only look at his own actions in this regard he would find there the reasons for the troubles of this government and this parliament; namely, the failure to give information when questions are asked, the failure to cope when the situation is finally driven home, the failure to come up with some direct action, and then the complete failure to be completely honest and frank with parliament.

Mr. Chairman, we are not here to try to subvert the workings of the government; to try to torpedo or undermine the work of any minister in any department. But we do feel that a minister has a very great responsibility in this house and to this house; that where there are obvious signs that things are not right, that there have been injustices, the duty of a minister is to face up to them frankly and promptly and secure the immediate help of this house in curing them. I am sure we will not be slow in coming forward with any assistance that we can.

I noticed that the other day the Minister of Justice intervened finally. In fact, there was a peculiar situation. The Minister of Citizenship and Immigration yesterday started with a very long statement about this matter and then the Minister of Justice had to come to his rescue. During the time the Minister of Citizenship and Immigration was apparently unable to see where the injustice was in these cases, why parliament was so troubled by them, and the importance of his department being cleared of any imputation of injustice, I wonder where the Minister of Justice was. Is there no cabinet collaboration? The Minister of Justice should have been the first to see the serious implication of the allegations being made by various members as to what was going on; the Minister of Justice should have been able to put at the disposal of the Minister of Citizenship and Immigration, on the first day, an experienced officer who could have gone down and in a couple of days have obtained the information that would have brought the Minister of Citizenship and Immigration up to date, so he would know what he was talking about and would have had some conception of how to handle the problem in this house.

I suggest that at this point the minister might ask the Minister of Justice for the loan of a lawyer, who could be seconded to his department and act as counsel for all people who had been held in jail for a period of as much as seven days, and who had not yet been represented by counsel of their choice. The duty of this person would simply be that he would act for anyone not represented by counsel, at least to the extent of making sure that he is advised of his rights, and has a chance to get counsel. He could also get in touch with people who could put up bond. In other words, there would be someone from the Department of Justice who would be interested just in justice and would assist the Minister of Citizenship and Immigration in making sure that injustices do not occur. Mr. Chairman, I think that is all I wish to say.

[*Translation*]

Mr. Bélanger: Mr. Chairman, I am glad to take advantage of this debate to bring certain facts to the attention of the Minister of Agriculture (Mr. Hays) and the Minister of Forestry (Mr. Sauvé) who is in charge of the administration of ARDA. Unfortunately, they are not in the house today, but I trust that their colleagues will mention to them my remarks which concern them directly.

Mr. Chairman, I know that these two ministers are seeking a means of assisting agriculture in the eastern part of our country. The efforts made at present by the Minister of Forestry to reach that goal are no doubt genuine. In fact, I was happy, on Sunday last, to hear on television the Minister of Forestry say that he was waging war against poverty in the Gaspé peninsula.

That is why I want to take advantage of his good intentions and his good dispositions to tell him that unfortunately I question the efficiency of the methods he intends to use to solve the problem of poverty and to help agriculture at the same time.

I also want to tell him that poverty does not exist only in the Gaspé peninsula but that it is just as serious in my riding of Charlevoix. That is why I want to call his attention to that region of my province.

But, contrary to our Conservative friends, I will do more than criticize, I will offer solutions; contrary also to those who believe that the role of the opposition is simply to bring down the government, I admit that the opposition must criticize the government's legislation, but it must also suggest ways to improve it and help the Canadian people by suggesting better ideas. That is what I shall do today.

Consequently, I would ask the Ministers of Forestry and Agriculture to kindly give very special consideration to the ideas I will now put forward; afterwards, I would be most interested to have their comments on my suggestions.

I will start by reminding the house that we already have a municipal winter works incentive program of which the federal and provincial governments pay respectively 60 and 40 per cent of labour costs. Even if the program greatly alleviates unemployment, it does have serious disadvantages. To name but a few, I will say that if the present system is continued, our municipalities will one day find themselves so deep in debt that the program will no longer be applicable because the taxpayers and especially the farmers, whose burden is heavier than that of anyone else, will revolt. In fact, they have already started protesting against the tax burden.

They have already started to revolt since, to quote but one example, the farmers' march on the parliament of the province of Quebec has just been organized by the catholic farmers' union, precisely to protest against these too burdensome taxes.

On the other hand, this system, while it solves the unemployment problem for a certain number of people, does so very temporarily, for after being idle for a few months, our unemployed, in the fall, starts working for the municipal corporation, having already incurred debts, and after the municipality has furnished him with work for a month or a month and a half, our man finds himself the same as before, the day after his dismissal. Therefore, in most cases, this system is only a poultice on an artificial limb.

Moreover, in the major part of the countryside, at least in my constituency, farmers have a very low income on which they cannot live. Nevertheless, the social service refuses them any aid because they are supposed to have enough revenue, but I will not go into that.

When the winter works period starts, there begins also for these farmers the unemployment season; as they pay municipal taxes, they go and claim their share of winter works, although many of them go and spend some time in the lumber camps after which, they come back to winter works. I do not say this to reflect on the farmers of my constituency, but to show what is wrong with this winter works system, and the disorder it creates.

In brief, let us say that the winter works, as they are carried out now, affect the farmers in the first place by gradual increases of real estate taxes, to such an extent that farmers who succeeded in making a living, a few years ago, are now leaving our rural regions. In my own riding, and I think I can say in every corner of the province, you could find complete rural roads where there were once 25 or 30 farmers and where there are only two, four or six left.

If, because of the fact that farmers, in order to survive, have to become lumbermen during fall and winter, we must face another chaos, because if farmers could make a decent living with the income from their farm, they would not cut wood and thus take the jobs of professional lumbermen and sometimes compete unfairly with them.

If only professional lumbermen had the privilege to cut wood, it would have this important result:

1. The cutting season, as we say, would last longer because there would be fewer workers to do the annual cutting;

2. The workers joining a union could get better salaries.

In the final analysis, if everyone attended to his own business all would be sure to be right, as the proverb says.

But to achieve such a result, we must first of all give the farmers an opportunity to make a decent living on their farms. That leads me to my solution which, although it is not perfect, like everything that is tried within the "concentrationary" monetary system in which we live, would not cost any more than winter works and would be more efficient in the long run.

If, for instance, under ARDA, somebody were to go and see the farmers in my riding, say around May 15, and tell them: "Look, for the next three months we are going to pay you a dollar an hour, five hours a day, to work at improving your own land." In my constituency, according to the dozens of farmers I have consulted, we could start by having them prepare and develop what they call permanent pastures. That includes drainage operations, stone removal, fencing, ploughing, seeding and what not. Now, suppose that in my riding of Charlevoix, which is in a designated area, the government were to pay farmers a dollar an hour—which, as we all agree, is not much—over a three-month period, that would make, for 20 days a month, $100 a month or, for three months $300.

By applying this system to a thousand farmers during three years, we would have an amount of $900,000. That may seem a large sum but if the results of the winter works programs were compared with those we would obtain through the method I just proposed, it is seen that we would get ten times more for the same amount.

Here is, as I see it, what would happen. First, everybody knows that when one works for oneself, one works better and harder. Hence, if a farmer is paid to work on his land, that is to do something which will belong to him, which he will keep and will bring profits to him later, you may rest assured that he will work hard.

I know that it will be necessary to set up some kind of control of the amount of work done by each of the farmers, through the use of a supervisor, namely one for every parish, who would find out whether the amount of work done during five hours every day is enough but it will be much more for statistical purposes than for anything else, for with a few exceptions, necessary to confirm the rule, I am sure that the results would be good and even surprising, especially compared to the efficiency of those same men during the winter works, when they are assigned to work in very cold temperatures on more or less useful projects.

I am convinced that if the government would carry out such an experiment in my riding, it would once and for all take its people out of the depression in which they wallow.

Think of the enrichment that would follow if the farmers in that riding could obtain 900,000 paid hours of work to develop permanent pastures.

I am convinced that would encourage them to such an extent that they would add themselves, without pay, twice as many hours, which means that in three years very large tracts of land—now lying idle or producing very little—would be turned into permanent grazing grounds with a high carrying capacity.

Starting from there those farmers' income would increase. And why? Because the governments, having played their part as supplementary bodies, would have enabled those farmers to go very profitably into dairy farming which is the only key to agricultural prosperity, at least in my riding.

With permanent grazing grounds the problem of feed grain would be much less acute because, if well operated, those grazing grounds could produce very economically all the feed for the cattle needed to ensure a high production of dairy products.

On the other hand, request for a deep water wharf at Baie St. Paul has always been rejected. One of the reasons for this refusal is that Charlevoix county is not sufficiently developed and that it is not in a position to supply the farm produce required by the large cities rapidly developing in the north-east region adjacent to Charlevoix county.

If the government would try this method to help agriculture in the county, it would save a great deal of money on what it is now paying by way of unemployment assistance, social assistance and unemployment insurance, and it would permit the farmers of the county to take pride in their achievements as they would no longer depend on any one. Charlevoix could become the granary of the

cities of the north. Farmers' sons would be less inclined to leave a prosperous farm for the city where they only swell the number of unemployed.

In short, I advocate for the government to assist the farmer directly on his farm during two or three years; thereafter he will be able to make it on his own with an adequate income. In my opinion, it would be a better solution than the plan just put into effect by the government and which enables you to buy various pieces of land, and join them together. With such a system, the number of land owners decreases but the number of proletarians increases. It has been done and it is still done in some countries which are rightly called communist countries. If the system I advocate were adopted, the opposite would occur; the number of land owners would increase which is an important asset in our struggle against communism.

Like my colleague, the hon. member for Lapointe (Mr. Grégoire) I receive many complaints about charitable donations receipts for income tax purposes. The minister replied yesterday that receipts for charitable donations were only reduced when they exceeded 10 per cent of income. Now that is false, because in every case which was submitted to me, the amounts of the receipts were less than 10 per cent of income and these receipts were signed by respectable and trustworthy persons. In spite of that, without further ado, a petty dictator, an official of the Department of National Revenue decides that those people have lied and deducts and more or less steals part of their income. Well, the hon. member for Lapointe had the right word, yesterday, for someone who takes away what belongs to another person. And to those who said last night that members of the house should not avail themselves of their privileges to attack the absent, I must point out that those privileges have been granted to us better to protect the interests of the people. That is what the hon. member for Lapointe did yesterday and he deserves to be commended for it.

It is suggested that income tax officials are unable to defend themselves when they are attacked by members in the house. But the taxpayer is even less able to defend himself when an income tax official tries to take his property away from him.

On the other hand, could the minister tell us whether the expense accounts of income tax inspectors are scrutinized by income tax officials as arbitrarily as are receipts for charitable donations? The minister should inquire about this.

That is why, before closing, I shall take the liberty of suggesting to the Minister of National Revenue to think about revising that act, in order to put an end to this tyranny which can be found only in the province of Quebec.

[*Text*]

Mr. Woolliams: In taking part in the debate today I might perhaps begin by reminding hon. members that we are spending now approximately $7 billion a year; the government is asking for supply amounting to approximately that sum. I believe the exact sum they are asking for today is $469 million, and in these circumstances I would have hoped—and I think most of us would have hoped—that more members on the other side of the house would have taken the opportunity to be present.

I see two ministers in their places. I have something very important to say about the C.B.C. and about certain of the remarks made by the Prime Minister with reference to this now famous film. I would have thought that the right hon. gentleman and others of his colleagues on the treasury benches would have been interested in being present. I have not counted the number of members who are in the chamber, but in the light of the amount of money we are spending, and when we realize the height taxation has reached in Canada today, and when we know that it is still increasing and will continue to increase, I would have thought more hon. members would have realized the importance of this situation.

Before I proceed to matters affecting the C.B.C., perhaps I could say a word or two about these immigration cases. I have had nothing to say about them so far, except for some questions directed to the minister of immigration whom I am happy to see present in the chamber. Probably his great mistake—and to date he has been criticized by the press, not by me—is that he has tried to protect his department even though he knows the department has been wrong. I would have thought, irrespective of what the regulations say, and irrespective of what the facts are in reference to a person, as the hon. member for Royal said the other evening a decision should have been made in respect of any man who was held for 90 days. I have had a question on the order paper since June 3; the Speaker asked me to put it on the order paper—

Mr. Tremblay: You will have your answer tomorrow.

Mr. Woolliams: I am to have my answer tomorrow. It is like Alice in Wonderland—never jam today; always jam tomorrow. Anyhow, I have not received my answer. I would have liked to know how many times Mr. Hooper was brought before the bar of justice. How many times was he remanded? Was it every eight days according to the Criminal Code or the Immigration Act? Did he get an opportunity to consult counsel? And what about the 16 or 17 other people who were in jail at the same time? What happened to them? Surely the people who come to this land, even if they do slip into Canada illegally, come here sometimes because they wish to create a new life for themselves; because they want to leave a land which has been devastated by war, or the effects of war, or similar reasons. Many of us could give instances of such things happening.

I do not think the minister should have to take all the blame. The house leader was the former minister and what did he do about the situation? The present minister has taken the whole responsibility, the whole shot in the arm. The house leader is played up as the next prime minister if the Liberals succeed in retaining office; but there is a question mark about that, of course. They may need him quicker than they think they do right now. But the fact is that he must take some responsibility for the situation.

I say to the present minister: Clean up the mess. If the department will not co-operate with him, do something about it. If the regulations are not being interpreted properly, then let us see they are interpreted and make sure the Canadian Bill of Rights really functions in this country.

I now turn to the main subject I wish to discuss this afternoon, namely the Canadian Broadcasting Corporation. In my introductory remarks I should like to say that there has been much criticism in the newspapers, and perhaps justly so, about the state of parliament and how it functions. I do not believe parliament will ever function properly or efficiently if ministers of the crown do not give information properly and honestly when they are asked questions. We have the fact that a film, "Mr. Pearson", was made at a cost of $35,000. We know how the C.B.C. gets money from the taxpayers; but while the fact that the film cost $35,000 is not unimportant it may not be very important. However, arising out of this film certain fundamental weaknesses of the government have been exposed. Let us look at them. I charge the government, whose members are almost all absent, with failing to disclose proper information to parliament; and this, in light of the fact that supply of $7 billion is involved, is a very serious matter.

I want to place on the record as I did yesterday the facts of the matter because the question of privilege I raised then involved something very important. The Prime Minister of our country is not so much important as a person as he is because of the fact that he holds a very important position. Anyone who rises to that position has a hard row to hoe from the time he enters the House of Commons, and I am sure all Canadians respect the position of prime minister. The Prime Minister holds this important position with which is associated not only dignity of office but also responsibility of the highest, because he holds the highest position in parliament and the highest position in the land.

But when we tried to ascertain what really took place with regard to this film red herrings were drawn across the trail. The government has continually referred to another film, "The Chief", depicting the Leader of the Opposition, and have talked about the censoring of that film. The film I am dealing with now is the one that has been censored. What has the government to hide in this regard? Why has it been so like pulling teeth to get information and why, to put it mildly, has information been given dishonestly?

Just the other day a respected member of parliament, the former minister of agriculture, was removed from the house because he charged the Prime Minister with not telling the complete truth. Let us look at the record. I want to refer once again to *Hansard* of May 21, 1964, page 3429, where certain simple and complete questions were directed to the Prime Minister with reference to the action of the Canadian Broadcasting Corporation in respect of this film. At that time the hon. member for Pontiac-Témiscamingue asked this question:

> Mr. Speaker, may I ask the Prime Minister if he has had a private preview of the film?

The answer of the Prime Minister was simple and direct. I continue the quotation:

> Mr. Pearson: Yes, Mr. Speaker.
>
> Mr. Diefenbaker: Oh? What were you doing it for?

Mr. Pearson: My right hon. friend should not get so excited.

Mr. Diefenbaker: Did you find it a horror film?

The Prime Minister went on to say that he saw the film. I charge that the Prime Minister was right when he said that he saw the film. But let us see what he said on another occasion. I refer to Friday, June 19, the day that the hon. member for Qu'Appelle, the former minister of agriculture, was removed from the house because he said that the Prime Minister of this country had only partly told the facts. I suggest that the Prime Minister did not tell the truth because one statement must be wrong. They cannot both be correct. This is what he said, as found on page 4490 of *Hansard* for that day:

Mr. Speaker, I do not propose to speak for anybody else but I propose to say that I was telling the truth, the total truth, and I ask the hon. gentleman to accept that. He says, in throwing doubt on my word, that two hon. members have seen this film.

Mr. Diefenbaker: I said one.

Mr. Pearson: One hon. member has seen this film. The hon. member may have seen this film. I have not.

Mr. Diefenbaker: You did.

Mr. Pearson: I have not seen this film.

On May 21, 1964, the Prime Minister of this country came into the House of Commons and said that he had seen a preview of the film in question. Then he came into the house on June 19 and said that he had not seen the film. I say to you, Mr. Chairman, that this is a very serious charge indeed, and I accept the responsibility for making it. I am going to quote some other things to show how much misinformation the house has been given, and I say given deliberately.

I am going to suggest that it matters not what the facts are about which a member of the government or any other member of parliament tells an untruth. If we believe in the parliamentary system, the same system Great Britain has, and if it is proven in the House of Commons that the Prime Minister did not tell the truth, because the two statements cannot stand together, then he has a responsibility.

When speaking on the budget after the Liberal government was first formed I pointed out that they had got outside help, that there was a suggestion that there had been leakages with respect to the budget and that the minister had a responsibility, which was to resign. I say to the Prime Minister, not only because he is Prime Minister but because he is a member of the house and leads the largest group of members in the house, that he must either make an explanation or resign.

Mr. McIlraith: I wonder if I could ask the hon. gentleman a question?

Mr. Woolliams: Certainly.

Mr. McIlraith: In view of the fact he is making direct charges of a rather serious nature regarding the leader of the government, has he followed the usual practice of notifying the member against whom the charges are being made to be present while they are being made?

Mr. Woolliams: I would say, Mr. Chairman, that when I started my remarks I pointed out I intended to discuss the C.B.C. I also pointed out what kind of facts I was going to discuss with reference to the C.B.C. I noticed that the minister himself, and I do not say this by way of criticism, wandered into the house after I started to make my remarks. I am glad to see him here.

Mr. McIlraith: No, Mr. Chairman, I think I should correct that statement. I was in the house when the hon. gentleman started his remarks. I asked him a question having to do with the practice of the house, and I think that as an honourable member he would wish to observe the practice in a serious matter like this. All I want to know is whether or not he sent the usual notice. If by any reason he inadvertently omitted doing so I will be glad to send the usual notice for him now.

Mr. Woolliams: My answer is that yesterday I rose on a question of privilege, raised the same points then and the Prime Minister of Canada remained silent. I say that by his silence he convicted himself. What better notice could he have had?

Mr. McIlraith: Mr. Chairman, my remarks were merely addressed to the point of order having to do with the practice of the house and had nothing to do at this stage with the substance of what the hon. member is saying. I draw the omission on his part to his attention because in my opinion and that of other hon. members, I think, it would be a reflection on himself if he did not observe the practice. It may be a pure oversight. I make nothing of the fact if it is an oversight, but I am simply calling it to his attention so he can let us know.

Mr. Woolliams: My time is always limited; of course, I can speak again on interim supply. I will say that I have not written the Prime

Minister a letter. The reason I did not write him a letter is that I raised a point of privilege yesterday and brought to his attention these two statements, in fact three. He said once that he did not see the film; those words are clear. In his next statement he said he did see the film. There are two contradictory statements concerning the same film. When the question was raised yesterday the Prime Minister remained silent. He did not reply. I hope the Prime Minister is in the building, and I hope he comes in to the house because I have several things I wish to raise.

I say that the respect of parliament is at stake. I will go farther. I say there is a responsibility on the Prime Minister, as a member of parliament, to resign and hand over the tools of office to someone else. Since my hon. friend has raised this question, I should like to quote no less an authority than the present Prime Minister when he spoke on another subject. However, the analogy will be perfect. Speaking on October 1, 1962, as reported at page 53 of *Hansard*—I brought this along because I thought this very question may be raised, the question of my right to speak on this subject this afternoon. This was in reference to a question of whether the same man, the hon. member who was expelled from this house, had broken a cabinet confidence during the election campaign when he stated he was not concerned about whether the dollar was pegged at 95 cents or 90 cents because it would be good for Canada. The present Prime Minister said at that time:

> One of the reasons for the acceleration of this crisis, not the cause of it but the acceleration of it, was the minister's own incredible gaff when he calmly announced during the election in Vancouver that he did not like the 92.5 cent dollar of which the Prime Minister (Mr. Diefenbaker) and the minister of finance at that time were so proud. They had been telling the Canadian people what a master stroke of policy that was. Then, the Minister of Agriculture gets up some ten days before the election and says he does not like it. Talk about cabinet secrets and the inviolability of cabinet discussion. What would have happened to a British cabinet minister in Westminster if he had made this kind of public gaff?

The minister of agriculture would have had to resign. Not so long ago we witnessed a situation in Great Britain—I am not going into these facts in which a British minister of the crown said no when he should have said yes. We have no once and then yes again. What did that cabinet minister do? He resigned because he felt responsible to the house. He had misinformed the house and he resigned to keep the respectability of the House of Commons and to keep the parliamentary system alive. I say therefore that the Prime Minister today, if he accepts his responsibility seriously, should resign. I say again that the fact he would not answer yesterday convicted him; he was convicted by his silence. He knew there was no answer. There is no explanation. What makes it far worse, what makes it very sad indeed, is the fact that another member of the privy council was expelled from this House of Commons because he dared tell the Prime Minister, who on two occasions had said two different things as recorded in *Hansard,* that he was not telling the complete truth.

The Chairman: I am sure the hon. member knows that he cannot reflect upon a vote of the house. I am not saying that the whole substance of his speech is out of order, but certainly when he refers to a particular incident on which a vote of the house was taken I would think that he is reflecting on that vote. This is the suggestion I make. The hon. member, I know, will want to take that into consideration.

Mr. Woolliams: I would want to take cognizance of your ruling and stay within your ruling. I want to say this: I was not reflecting on any vote of the house. I was reflecting on certain circumstances which took place before the vote.

However, I will move along now because I do not want to have a red herring drawn over my speech. I want to lay down the facts and bring them before the members of this house. In my opinion, as a member of this house, the Prime Minister has misled the house. I have read two statements and I want to read another. I quote from page 3836 of *Hansard* for June 2, 1964, and the reference is to this same subject. The Prime Minister was asked by the hon. member for Yukon, a certain question and this was his reply:

> I did not see it in my office. I saw it in Toronto at a studio, and it was shown in an office in the east block. I saw part of it there but the sound track was so bad I left after a few minutes because it could not be understood.

Then the hon. member for Pontiac-Témiscamingue asked a supplementary question as follows:

> I have a question supplementary to the previous question asked of the Prime Minister. I was wondering if, as a sophisticated critic of art, he would tell us what he thought of the film "Mr. Pearson" when he saw it?
>
> Mr. Pearson: I found it exceedingly interesting, Mr. Speaker.
>
> Mr. Diefenbaker: Revealing?

It is revealing; it is revealing that they will not come forward and tell the facts in this house when they are asked for the facts.

Let us consider another story, an independent story for a few moments. I should like now to turn to another set of facts that took place on June 15, 1964. I emphasize again that if we, as members of parliament, irrespective of the side of the house on which we sit, endorse what is going on now on the front benches of this government, parliament will come into such disrespect it will take years for parliament to regain its importance in our land.

An hon. Member: What about five or six years ago?

Mr. Woolliams: My friend is inquiring about six years ago; he left out two years, and I suppose he is talking about the pipe line debate. It is still haunting him.

Let me go back to the facts. I should like to quote from page 4329 of *Hansard* for June 15, 1964, a speech by the Leader of the Opposition:

> When the Prime Minister indulged in quotations he did not think of bringing to the attention of the house the letter he received from the various intellectuals who signed that message on May 27.

In order that the record will be clear, I should say that the letter was from a group of intellectuals in this country with reference to the flag. The Prime Minister said:

> Mr. Speaker, I received no such letter.

I am going to lay the groundwork for the statement that again the Prime Minister did not tell the facts and the truth in this house.

Some hon. Members: Oh, oh.

Mr. Woolliams: I know; I feel the same way. On May 27, there was a letter written and signed by various intellectuals in this country. One of those intellectuals was Denis Smith, assistant to the president and assistant professor of politics, Trent University, Peterborough. This letter was dated May 27, 1964. I am now going to read from page 4330 of *Hansard*. Why does the Prime Minister want to hide these things? What is he afraid of? Why is he afraid of this film? Is he afraid because of the fake build-up of images in another land? Is he afraid because he has been told images have proven to be very important in political life? Well, if this image crosses the land then the people of Canada will find out what goes on in this government, and particularly what comes from the mouth of the Prime Minister.

At page 4330 he is recorded as saying that he would not like to mislead the house.

> I received no such letter but I did get a letter on my desk. It was addressed "Dear Mr. . . ." blank, and there was no signature to it, but it had that body.

I suggest that the Prime Minister did receive a letter dated May 27, 1964, and that it was not addressed to his blank office, because his office is not blank at the moment. It was addressed "The Right Hon. Lester B. Pearson, P.C., M.P., Prime Minister of Canada, Ottawa, Ontario" and it began "Dear Mr. Prime Minister". The letter had on it the names of various people, one of whom was the assistant to the president and assistant professor of political science at Trent University, Peterborough, a Mr. Denis Smith.

Why did the Prime Minister say it was not directed to him? Why did he say it was addressed "Dear Mr. . . ." blank? Did he want to tell the house that he had not received a letter from the intellectuals criticizing the flag which his government is bringing in, and which the hon. member for Royal said last night is a manufactured issue to cover up the irresponsibility, inadequacy and inefficiency of the government?

Those are the two points I want to make and I have made them. First of all the facts in reference to the questions on the film were not true, and he has not told us the facts in reference to the flag.

I could bring up another matter, but I do not have time to quote upon it. When this house first met after October of 1963, I asked the Prime Minister about the winter games in Banff. He said that the Department of External Affairs sent officials and one important minister to a conference; but later, when I placed the question on the order paper, I got a written reply stating there were no officials sent and the answer from the minister, which was different from that by the Prime Minister, was to the effect that it was against the law to send them; that it was not a conference but a committee. And so the Prime Minister sneaked out the back door instead of the front door in discussing that problem.

I say this, respecting the office of the Prime Minister, that the Prime Minister who gave that answer knew no officials of the Department of External Affairs were at that winter games meeting, whether it was a conference, a committee or whatever it was.

Having gone that far, and certainly I have gone far, I would say to him that he should take and reread something that should haunt the government and himself because of these discrepancies which I have set out, and on

which he sat silently and failed to speak on a most important point of privilege. I may add there were many shocked people on the government back benches yesterday, as there were on this side of the house, when the Prime Minister remained silent and refused to answer. But what he should do is reread what he said in this chamber on February 4, 1963, when he wanted an election, when the Liberals were hungry for power. This is what he said in reference to our leader:

> We face emergencies and problems in this country at this time. We need a government that will make decisions—

Then he went on:

> He must have felt very sad—

Some hon. Members: Hear, hear.

Mr. Woolliams: You can clap now as much as you like, but when I come to the section you don't like you won't be clapping.

> He must have felt very sad in making the kind of speech he had to make, but at that time he said, quoting the immortal words of Cromwell when he went into the Long Parliament:
>
> "You have sat here too long for the little good that you have been doing.

Then, after some interruption, he finished the quotation:

> "Depart, I say, and let's have done with you. In God's name, go."

I say to the Prime Minister, who is not here now, what he said to the former prime minister, "in God's name, go."

Mr. Lamontagne: That is not what they said yesterday.

Mr. Woolliams: I say this, according to the natural law, according to the law of wisdom, according to the divine law, the law of God, this Prime Minister should leave because he is misinforming and misrepresenting facts in this House of Commons; and if he knows his responsibility he will leave.

I can only believe, when someone said he was steeped in the fine arts, that he might have been steeped in the fine arts of diplomacy. I believe most people will accept that, but maybe he read too seriously and got his two positions he has held mixed up, because I quote from page 452 of Plato's work, "The Republic", where the author discusses diplomacy:

> The rulers of the state are the only ones who should have the privilege of lying, either at home or abroad; they may be allowed to lie for the good of the state.

We know what Plato meant, when you are dealing with external affairs; but when we are dealing with the business of the House of Commons and the business of the Canadian people then I say to you, Mr. Chairman, it is a different situation.

The Prime Minister remains silent. The words were read while he was here in the chamber and they showed he said, "I did not see that film." Then he said, "I did see that film," and then he said, "I saw a part of that film." If he had been allowed to answer again we would probably have received another version; but I must not digress because it is important. He now has a responsibility to come into the chamber and say, "I misinformed the house. I have done so. I know my responsibility. Someone else is taking over as the leader of the Liberals." That is the charge I make against the Prime Minister. I say it is a serious charge and I have documented the statements I have made. Mr. Chairman, I do not intend to take up any more time of the committee.

Mr. Pugh: As I listened to the hon. member for Bow River certain things struck me very strongly. A serious charge was made against the Prime Minister, which was a reiteration of a point of privilege brought up yesterday. At the outset the hon. member said he wished the Prime Minister were in his seat. I counted the house at that time and there were eight Liberals over there sitting and yawning, and talking away—

Mr. Macaluso: On a point of order, Mr. Chairman, I would like to correct the hon. member's statement. I counted the opposition benches and there were 13 members there. Let us have the record straight.

Mr. Pugh: There were only eight Liberals. This was before the hon. member came in.

Mr. Macaluso: On a point of privilege, Mr. Chairman—

Mr. Pugh: Sit down. I am talking on a point of order.

Mr. Macaluso: I have been in the chamber all afternoon and I heard every speech made. I think the hon. member should look straight before he makes comments. I ask him to count the members on the opposition benches, and not on those opposite him.

Mr. Pugh: There were eight Liberals in the chamber at the time the hon. member—

Mr. Dupuis: That is entirely wrong.

The Deputy Chairman: Order. I think the committee would be well advised to get along with the resolution in hand.

Mr. Pugh: Well now, Mr. Chairman, I counted the chamber and there were eight Liberals present. What I cannot understand is how the Liberals can be so silly as to try and hide the facts that have been brought forward. Why does not one of them stand up and say something about them? These are charges which should ring right across Canada, misstatements—one, two, three, four, any number of them have been made. And not only were there misstatements but questions were asked and sloughed off. We have heard a lot on the business of the house and the flag issue, but it seems to go on, and on and on, and I am rather inclined to agree with the hon. member for Bow River, and also the hon. member for Royal, who said the government will bring up any controversial issue but that it will not bring on any important business before the house for determination. I thing it is high time it did.

There is another point which is very germane, and that is all this laughing which is going on, on the Liberal side. I and many people across Canada think they are well equipped to sit down and laugh but they cannot get up and talk any sense.

There is another matter I would like to mention—that the hon. member for Qu'Appelle was expelled from this house—that is the only word I can use—as a result of statements which he made as to the facts which the Prime Minister of this country had put before the house.

He doubted those things and said that the Prime Minister intended to mislead the house. This was all dealt with in the question of privilege raised yesterday by the hon. member for Bow River. In that question of privilege the very words were documented. Out of that documentation, the thing I cannot understand is how the Prime Minister can sit in his seat and say nothing. All he did was get red in the face—and I am reminded of an old expression that arose out of the French revolution, "See, the blood of Danton chokes him".

Mr. Deschatelets: What a contribution.

The Deputy Chairman: Shall the resolution carry?

Some hon. Members: No, Mr. Chairman.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I would like to deal with a subject which interests more particularly the farmers of the province of Quebec. A large number of farmers including pipe, cigar and cigarette tobacco growers, are concerned at the present time because they have no protection against crop damage by hail or frost.

The federal government has drawn up a bill which should be very beneficial to farmers if, of course, the interested provinces will sign an agreement with Ottawa to avail themselves of such benefits.

In 1961, I wrote to the provincial minister of agriculture, Hon. Alcide Courcy, to ask him what were the intentions of the provincial government in this regard, so that the government could decide whether or not to take advantage of this crop insurance legislation.

I am happy to read to the house part of the reply dated July 24, 1961, from the provincial minister of agriculture:

> Dear Sir: In reply to your letter of June 14, I can assure you that the provincial government intends, in principle, to take advantage of the federal Crop Insurance Act to the extent that the people primarily interested, that is the agricultural producers, will want to take advantage of it.

Mr. Chairman, there is no doubt that farmers who go in for special crops need the protection offered by the Crop Insurance Act.

Recently again, in Joliette, a storm swept through several farms where cigarette tobacco is grown. Losses amounted to thousands of dollars. If, in 1961, the Quebec government had signed an agreement with Ottawa, the owners of those farms would have been protected and could have received the money needed to recoup their losses.

Again I ask the federal Minister of Agriculture (Mr. Hays), who unfortunately is not in the house, as well as the Prime Minister (Mr. Pearson) and a great number of ministers—

Mr. Lamontagne: You should know that he is in hospital.

Mr. Pigeon: I take this opportunity to ask the Secretary of State, who gets along so well with the authorities of the province of Quebec—

Mr. Lamontagne: That is true.

Mr. Pigeon: —including Mr. René Lévesque, to urge the Quebec government to sign an agreement so as to protect the farmers of that province, especially those who go in for special farming, such as the tobacco growers.

The average income of eastern farmers, that is, of Quebec farmers, is approximately $1,200 a year. I know, Mr. Chairman, that a few provinces have already entered into an agreement with the federal government so as to benefit from the Crop Insurance Act. It would be essential, in my opinion, that the Quebec

government should sign this agreement without delay and start by extending this act to tobacco growers, and then to fruit and vegetable growers, in order to cover eventually all Quebec farmers.

Mr. Chairman, this is what I had to say and I hope that the federal government and the Minister of Agriculture, as well as the Minister of Forestry, who is unfortunately absent from the house, will do their best in this connection.

I hope that some other minister will tell them to meet with Hon. Alcide Courcy—we all know that the federal Minister of Agriculture is on excellent terms with the provincial minister of agriculture—to ask him to co-operate as soon as possible with Ottawa in the best interests of Quebec agriculture.

Mr. Ricard: Mr. Chairman, during the next few minutes, I should like to express the views of the average worker in Quebec and throughout Canada concerning the way the government of the day is handling the affairs of our country.

May I say that workers, who are commonly called average citizens, have lost all confidence in the present Liberal administration. Considering the numerous promises which were made during the 1962 and 1963 election campaigns, they had a right to expect that things would be a lot better than they are at present. After having trusted the Liberal party, they now realize that they have been deceived, and they deeply regret the defeat of the government which was in office from 1957 to 1962.

Mr. Chairman, you will certainly recall that during the 1962 and the 1963 election campaigns, workers were promised a pension scheme without taxation.

That promise was made in all the provinces and it brought votes to the Liberal party. Since the present government has been in power, not only has it introduced a pension plan only to withdraw it later, but it has brought in another scheme, and there is now some talk about a third one.

Now, Mr. Chairman, I wonder how the Liberal party could promise a pension plan during the 1962 and 1963 election campaigns and how it could honestly expect to carry out its pledges.

I have before me a booklet published by the Liberal party during the election campaign, prior to the election held on June 18, 1962. It reads in part:

[*Text*]

> $140 a month for today's retired couple.
> Up to $295 a month when you retire.

[*Translation*]

And further on, dealing with contributions, it reads as follows:

[*Text*]

> The Liberal plan will add a contributory pension to the existing old age pension. The addition will be paid for entirely by contributions, not by taxes.

You will recall, Mr. Chairman, that the rate of tax on income has been moved from 3 per cent to 4 per cent. This was to cope with the increase in pension to $75 a month for the old age pensioners. You will also recall, Mr. Chairman, that this increase of $10 a month which was paid to the old age pensioners was implemented only after the official opposition had forced the government to fulfil its promise. Had it not been for the Conservative opposition, as sure as anything the old age pensioners would still be on the $65 a month pension as they were before.

[*Translation*]

But I would like to prove to the house that the Liberal promises made during the two election campaigns have become dead letters and that those who were supposed to bring such prosperity to the average worker are now unable to fulfil their promises.

I would refer to the two deduction tables with regard to income tax, and particularly forms 101 and 101A, as well as the one which was introduced in January 1963. If we take as deduction basis a salary of $65 a week, we shall see, for instance, that, for an unmarried person earning $65 a week, the income tax shows a 40 cents increase per week, whereas the married man without dependants, is paying 25 cents a week over and above the amount paid at the time we were in power; the head of a family with two dependant children is paying 50 cents more than under the Conservatives; and a person with four dependant children, 5 cents more a week.

This government made many other promises, which remained just promises. For instance, I wonder why the government is waiting to carry out its promise to create an industrial council. Moreover, during the election campaign, those who are now supporting the government had promised Canadian citizens a special compensation to workers struck by illness. With regard to unemployment insurance, the Liberal party promised, during those elections, to extend

its benefits to farm workers and, more than a year after the Liberal, have come into power, there is still no sign that farm workers will, in the near future, be covered by the Unemployment Insurance Act.

Another promise which has certainly not been fulfilled is the one I find in the Liberal program of March 1963, and I quote according to this booklet:

[*Text*]

The Liberals' objectives for the future are designed to ensure a square deal for labour.

In one of the promises hereafter enunciated we see that a Liberal government would institute a federal labour code, including a minimum wage of $1.25 an hour, a maximum work week of 40 hours, two weeks' vacation and seven statutory holidays. We are still waiting for this.

An hon. Member: We are getting close to shore.

Mr. Ricard: The hon. member says we are getting close to shore. We are closer to the end of the world than we have ever been before. The promise leaves us a long way from the shore, just as much as we are a long way from the day when the promise will be fulfilled.

I also see in this pamphlet that the Liberals' policy of economic expansion will restore the unemployment insurance fund and return it to its proper function. It was only a couple of months ago that the fund was drained to the bottom, and if it had not been for some emergency measures the workers of this country would have been deprived of their weekly benefits. Would the hon. member for Levis repeat his remark? I heard what he said though I will not repeat it; but I would have something to tell him if he did repeat it.

[*Translation*]

All this goes to say that the Canadian people lost confidence in this government long ago.

You will recall, Mr. Chairman, the 1962 election campaign opposed the dollar devaluation. They insisted that such a measure would be detrimental to the Canadian people. According to certain Liberal speakers, a Conservative administration would mean that the Canadian people would head straight for disaster. But, once in power, they forgot to re-establish the dollar parity and carried on where the Conservative party had left off. They even tried to get credit for measures introduced by the Conservative government.

[Mr. Ricard.]

This is not the only thing they had promised. You will recall, Mr. Chairman, that they had promised to give Canada a balanced budget. Goodness knows how the budget has been balanced since they are in power. Not only has the budget been in a worse state than ever before, but from one year to the next, we are going from one catastrophe to another, and deficits are piling up.

The Liberals have nevertheless thought they would cure all ills by establishing new taxes. You know as well as I do, Mr. Chairman, that the 11 per cent tax is not extremely popular. It has not been of much help in developing our country. It has momentarily brought money to the government and had it not been for that extra revenue, I wonder what the government would have done.

Not only was 11 per cent tax increased, in addition to the 3 and 4 per cent on income tax, but there was also an increase in postal rates. As you know, the Postmaster General still has a resolution on the order paper to further increase postal rates.

I continually meet middle class people in my riding and I realize that, as a general rule, the people, the ordinary workers, have lost faith in the present Liberal government. I cannot repeat it too often for it is precisely what is happening, and people are anxious to have another opportunity to show their discontent to those who had promised them the moon and stars if they ever came back into power.

We have often been blamed for doing nothing or almost nothing to help the working class. Well, allow me to remind you of some measures which we took when our government was in power and which favoured more particularly what is commonly known as the average citizen.

As soon as we came into office, we amended the Unemployment Insurance Act to make it more consistent with present requirements. For example, we gave married women a status equal to that of the ordinary worker. In 1957, 250,000 workers drew for the first time benefits amounting to $13 million. We changed the periods of seasonal benefits under the Unemployment Insurance Act and extended them from 16 to 24 weeks and, in 1958, we extended to 30 weeks the benefits which a worker can draw under the Unemployment Insurance Act.

This favoured 200,000 workers who shared among them an amount of $14 million and, in 1959, we increased the number of weeks for regular unemployment insurance benefits

from 36 to 52 weeks a year. This enabled 80,000 more Canadians to benefit thereby.

What single step did this government take in order to help the working class? It merely continued what the previous Conservative government had established, for which the Liberals are now trying to take credit.

You remember that when the hon. member for Ontario (Mr. Starr), who was at that time minister of labour, introduced in the house the legislation intended to help municipalities and the measure concerning winter works, those proposals were greeted with mockery by Liberal members who were then in opposition and who even tried to ridicule them. Those people contended at the time that those measures would not give any practical results. However, if you listen now to their speeches, you realize that they are trying to make us believe that those programs were initiated by them and that they are giving very interesting results.

It is a fact that the results are very interesting and the municipalities are happy to take advantage thereof, but they know however, to whom credit belongs.

For instance, you have the measure concerning sewage treatment plants. Several municipalities have availed themselves of that measure and the results have been excellent and continue to improve constantly, since all the municipalities go on taking advantage of this act, as drinking water supplies are decreasing all the time.

Now, I cannot resume my seat without making a few comparisons in a particular field which concerns more especially the constituency of St. Hyacinthe-Bagot. I want to show that this government did not do very much in order to reduce unemployment, especially in the province of Quebec, where we have the sad honour of the greatest number of unemployed in all the provinces of the country.

In the province of Quebec, 112,000 unemployed are looking for jobs. If we refer more especially to the burning speeches made by the present Secretary of State for External Affairs (Mr. Martin), we see that the unemployed, who do not now have a job and are deprived of a salary to support their families, are certainly entitled to expect more from a team which had promised so much, especially in their first 60 days in office.

Indeed, if I refer to a speech made in the house by the hon. member for Essex East, the present Secretary of State for External Affairs, where he promised that the Liberal party would pass a whole series of measures if elected, I see that not one of them—except perhaps a half measure—has been implemented to stem unemployment.

Well, I ask the Secretary of State for External Affairs to read his past speeches over again. I regret he is not in the house, because I would be very happy to remind him of his statements. However, I would ask his colleague, the Minister of Justice (Mr. Favreau) or the President of the Privy Council (Mr. McIlraith) to advise the Secretary of State for External Affairs to read over the speech he made on September 20, 1961, and to convey to his colleague, the Minister of Labour, the information he said he had, so that the latter may take the necessary steps to give work to the unemployed in the province of Quebec.

For over a year, the unemployed in the province of Quebec have been hoping something would be done for them. When we were in power, we were blamed for not doing enough for unemployed workers. If it was wrong at that time to have unemployed people, it is no better now, especially in view of the fact that the province of Quebec alone has at least from 110,000 to 112,000 jobless people. I am asking Liberal hon. members from Quebec who are now in the house to bring pressure to bear on the minister, to discuss the matter in their caucus, in short, to speak for the unemployed. As a matter of fact, it is just as sad to see a man out of work in 1964 as it was in 1962 or 1963.

However, Mr. Chairman, you will recognize that we do not take advantage of human distress as the government members used to do when they were in opposition. In fact, when we were in power, almost not a day went by that the present Secretary of State for External Affairs (Mr. Martin) or some other Liberal members took the floor to try and make capital out of human distress and to paint a gloomy picture of the lot of Canadian workers.

If government members and more particularly those from Quebec wish to give evidence of honesty, they should work relentlessly on the unemployment problem and discuss it with the Minister of Labour as often as they did when they were in opposition. Only then shall we realize that they were sincere at that time. If they do not follow that course in 1964, it would become clear that their only object was blackmail and that they were not the least interested in the welfare of the Canadian people.

Mr. Pigeon: The hon. member for St. Henry (Mr. Lessard) should rise a little more often.

Mr. Guay: If he did rise, it would not be to talk nonsense, like you.

Mr. Ricard: Mr. Chairman, I said a while ago that I wished to put on the record some statistics concerning my riding more specifically. I have in my hand some official figures supplied to me by the St. Hyacinthe unemployment insurance office and if I compare the statistics for January, February, March, April and May for the years 1961, 1962, 1963 and 1964, I find that this government did not really try very hard to give employment to unemployed people in Canada.

Thus, in January 1961 at the St. Hyacinthe unemployment insurance office, there were 3,578 unemployed applicants; 2,528 in 1962; 2,543 in 1963 and in 1964, under a Liberal administration, 2,344.

An hon. Member: It is falling off.

Mr. Ricard: Mr. Chairman, I realize that the figures are decreasing, but it is due to the measures passed by the former Conservative government and which today are bringing results. In fact, I feel compelled to ask, once more, the members of the government to name one single measure taken by this government in order to alleviate unemployment, because I notice that this government continues to apply measures which were all put into effect by the previous government.

Mr. Béchard: Mr. Chairman, on a point of order. I should like to answer the hon. member who just quoted some figures; I would tell him that in my riding, in Bonaventure—

Mr. Ricard: Mr. Chairman, I do not think that this point of order is well taken.

Mr. Béchard: Mr. Chairman, the hon. member has asked for figures and I am prepared to oblige him.

The Chairman: Order. It might be difficult for the Chair to make a ruling before the hon. member for Bonaventure has stated his point of order, but judging by his first words, I do not think that there is any point of order.

Mr. Béchard: Mr. Chairman, may I ask the hon. member a question?

Mr. Ricard: Mr. Chairman, I am going to complete my remarks and then the hon. member for Bonaventure will have all the necessary time to make a speech, if he wishes. He will be then in a position to refute my arguments if he believes that I am wrong.

[Mr. Ricard.]

Indeed, I would very much like to see the Liberal members, especially those from Quebec, insist on rising as much as they did when they were in opposition.

Mr. Pigeon: Including the hon. member for St. Henry.

Mr. Ricard: And I say again that the fact that they do not will prove that they were totally insincere at the time. Indeed, I want to show it beyond any doubt. If my hon. friends opposite feel that the comments I have just made are not in keeping with the facts, let them try and prove it.

In February, 1961, there were 3,919 claimants registered at the St. Hyacinthe unemployment insurance office; 2,613 in February, 1962; 2,700 in February, 1963, and 2,470 in February, 1964.

Now if we look at the number of placements effected during the same period, we note that there were 188 in 1961, 162 in 1962, 208 in 1963 and 231 in 1964. The situation is not too much different from that which prevailed when we were in office. There has been some improvement which, I repeat, is due to the steps we took.

As for the month of February, 139 placements were made in 1961, 177 in 1962, 196 in 1963 and 185 in 1964. There also, there is an advance, but in the opposite direction. I want to draw the attention of the hon. member for Longueuil (Mr. Côté) to this fact, to spare him the trouble of making rapid calculations.

Mr. Chairman, I do not have time to read the whole table I have here, but it does show rather well what is happening. Far from experiencing, under a Liberal regime, a prosperity beyond compare, Quebec's unemployed are still waiting for something to be done for them, and it is on their behalf that I ask the present government, which had promised full employment, to implement its program.

Mr. Chairman, as I have said, the unemployed in the province of Quebec have been waiting for a solution from this government for more than a year. Surely they will get tired of waiting. Poverty will continue to increase and the blame will lie with the present government which will not have taken necessary steps to prevent that disaster.

Members of the government, set to work. Your turn has come. You have criticized us long enough. Now, it is up to you to show some leadership and to do something for those in need.

[*Text*]

Mr. Badanai: Mr. Chairman, I wish to make only a few remarks in this debate, which I would say has been a very fine one. Members' contributions to the debate have been useful and helpful. However, if I may say so there were many exaggerations and statements by various members of the opposition which were not entirely in accordance with the facts. It also appears that in this debate members are primarily concerned with the deportation proceedings in regard to individuals who have illegally entered the country. However, it should be understood that the deportation laws have been approved by parliament and are for the protection of the Canadian people. They are administered by the Department of Citizenship and Immigration and that department is charged with the responsibility of upholding the laws of this country. I believe that no hon. member would treat lightly the matter of illegal entry into the country. As pointed out by the minister in his statement, he has given an explanation of the elaborate precautions taken to protect the legal and human rights of those who are to be deported. The department goes to great lengths, I might say, to insure that every deportee is furnished with an interpreter whenever necessary, in order to insure reasonable protection for the individuals concerned.

Several instances were brought to my attention in which the minister had personally intervened on the eve of a scheduled deportation and instructed the officials of the department to postpone the deportation to allow further consideration of a case. The Department of Citizenship and Immigration has been charged with the responsibility of increasing Canada's population through immigration, so that we may expand our domestic markets for our agriculture and manufactured products, stimulate economic activity and by providing new skills and ideas to support a higher level of cultural development and cultural independence.

I am sure it is unnecessary for me to remind hon. members of the tremendous responsibilities which the minister and the officials of the Department of Citizenship and Immigration are facing in carrying out this task. Since the end of world war II, more than two and a half million persons have immigrated to this country. Immigrants today comprise approximately 8.3 per cent of our total population and 12.25 per cent of our labour force. The minister referred also to the 30 million visitors, tourists and businessmen who cross our borders each year. The importance of these non-immigrants, in terms of good will or economic value to this country, cannot be overemphasized.

This tremendous volume of traffic has been handled efficiently by immigration officers without fuss, without fanfare and with very few complaints. I think they should be congratulated on the job they have done. I repeat these important points only to indicate to hon. members the extent to which the criticisms of some members of this house, in the course of the past few weeks, have reflected in a disproportionate way on the performance of a highly dedicated, hard working group of people. I must confess, and I am sure many hon. members will share my feeling, that I found this regrettable.

Although the number of persons involved in deportations is small in relation to the total number dealt with by immigration officers, the operation of elaborate procedures, the time and effort necessary to deal with them and to protect their human and legal rights are well worth while, as the outline given by the minister has indicated. Parliament has imposed upon the Department of Citizenship and Immigration the responsibility to protect Canada and the people of this country from invasion, if you like, by unsuitable and undesirable elements. The government is anxious that this difficult task should be carried out fairly, with due regard for the protection of the rights of the individual, as well as humanitarian and compassionate considerations.

It is difficult, sometimes, to make generalizations in matters of this kind. However, hon. members can be certain that there is no desire on the part of the minister or the department to act in an arbitrary or tyrannical manner, as suggested by one hon. member this afternoon. I believe it was the hon. member for Bow River who made that assertion. At the same time parliament has placed on the minister and this department the responsibility of exercising a discretion in the granting of admissions. This is not an exercise which the minister takes lightly. While it may not be in the public interest to give an explanation in detail in all situations, as the hon. member for Greenwood has been emphasizing the department should, nevertheless hon. members may take it as a matter of record that a very exhaustive examination of the circumstances is undertaken before a decision is reached.

Apart from deportations, another very important side to this general problem which hon. members might bear in mind is that illegal entrants are not infrequently prohibited persons under the Immigration Act and would be refused a Canadian visa if they applied from another country. By entering Canada illegally as ship deserters, stowaways and non-immigrants, they attempt to obtain priority consideration for their cases, ahead of other more desirable immigrants who follow authorized procedures. They attempt also to obtain priority over the relatives of Canadians who are anxious to be reunited with their families in Canada.

Having said that, I honestly believe that in the light of present day conditions the act, as it now stands, as pointed out by the hon. member for Hamilton West, is inadequate. I hope that when legislation is brought before this house we shall be able to enact some improvements.

The hon. member for Edmonton-Strathcona made statements this afternoon about inefficiency and a lack of due regard for the rights of individuals held in custody for illegal entry. I suggest to him that he should read the various exhaustive statements made by the minister in this house, and he will immediately realize that the minister has been more than fair, and any implication to the contrary is not in accordance with the facts.

The hon. member for Royal referred to Greek nationals who enter illegally but who have lived here for four or five years, some of whom have married and have jobs. I might say in this connection that the minister has been lenient in some of these cases and has been instrumental in seeing that landed immigrant status was granted to them.

This I am sure should prove that he is not blind to the humanitarian instincts, and does not hesitate to exercise discretion, giving to many of those who may or may not qualify the benefit of the doubt.

I want to assure the hon. member that this government has not forgotten its promises, nor the intent to gradually develop a progressive immigration policy to fit the times. I sincerely hope, Mr. Chairman, that the members of this committee will bear with the minister and the Department of Citizenship and Immigration to the end that we, in the not too long distant future, will bring about regulations and changes in the act that will be beneficial to the country. I say so because there seems to be some impatience, and I quite understand that. I have also been impatient for the past six years, advocating a more progressive immigration policy. But now that I know a little more about the difficulties, about the problems involved, I want to tell members of the committee something which may not be general knowledge, that we are also short of staff in our department. Our minister has perhaps been a little reluctant in demanding greater consideration from treasury board. We need more money to employ more qualified persons to aid in the work of the department. Our minister is working hard at this. I think he has been able to get the ear of the President of the Privy Council and of the rest of the cabinet, so that we will be able to get sufficient funds to enable this department to be developed to the point where we will be able to introduce and develop a policy which will be consistent with the great potentials of this great country of Canada.

Mr. Mackasey: Mr. Chairman, I was motivated to participate in this debate by the very vicious and unwarranted attack made by the hon. member for Bow River on the Prime Minister. I think it was a prostitution of the obvious talent of that hon. member that, by using question period statements out of context, he was thus able to turn around and attack a man as great as our Prime Minister.

There are people in this chamber such as the Prime Minister and the Leader of the Opposition who have served the country and the House of Commons well, and I think it is a tragedy in this day and age that people of that stature should be subjected to that type of unwarranted attack, rendered all the more vicious by the fact that the Prime Minister was not present in the chamber at the time.

Mr. Grafftey: Read Cardin's speech.

Mr. Mackasey: It was pointed out with some accuracy by most hon. members in front of me that it is traditional when making this type of unwarranted attack at least to have the courtesy to notify the person in question about the subject matter in order that he be entitled to refute and answer it. That opportunity was denied the Prime Minister this afternoon.

Mr. Smith: Check with your Associate Minister of National Defence.

Mr. Mackasey: You may make your speech later. I think there is something reverent about leaders of parties, about the positions they fill, and I think that a prime minister

of a country as great as Canada should be free of this type of unwarranted attack, which disgusted most of us here. The Prime Minister has served his country well in war, like many others in this chamber. Later he served this country very well as one of its senior civil servants, and his record as the Canadian delegate to the United Nations is second to none. As the leader of our opposition he did an excellent job.

I know this is a house debate. I know at times the argument gets charged and there are moments when things we say are of a spontaneous nature, but the unfortunate aspect of the attack by the hon. member for Bow River was that it was coldly calculated, and it is little wonder most hon. members on this side feel it was more than a coincidence that this attack on the person of the Prime Minister took place when he was not here to defend himself. I leave it up to hon. members of the committee to say whether or not our Prime Minister has to satisfy hon. members such as the hon. member for Bow River.

People who lie are motivated by fear, and the Prime Minister of Canada has nothing to fear from anybody in this chamber. He has nothing to fear from the film "Mr. Pearson" which I think has occupied a little too much of the time of this house. If the reason the film is being discussed is because of interference with the C.B.C. then I say continue to discuss that matter, because the C.B.C. should not be interfered with by this government or any government, past or future.

But this is not what is happening in our debate. This was not the attack made by the hon. member for Bow River. He was simply using the opportunity, like a jackal chasing deer through the forest, to discredit a man like our Prime Minister; and this is a despicable thing.

BUSINESS OF THE HOUSE

The Chairman: Before I call it six o'clock it is my duty, pursuant to provisional standing order 39A, to inform the committee that the questions to be raised at ten o'clock p.m. this day are as follows:

The hon. member for Kent, (Ont.) (Mr. Danforth), imposition of countervailing duty on imports of Canadian cars and parts by the United States government; the hon. member for Winnipeg North (Mr. Orlikow), segregation of Indian children from other students attending school at Fort William.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

INTERIM SUPPLY

Mr. Mackasey: Mr. Chairman, before supper I was motivated to participate in this debate as the result of what I thought to be a rather vicious, unwarranted and fully premeditated attack both on the Prime Minister as a person and on the high office that he represents. I realize from the interjections that came my way in the few minutes that I had the floor that my remarks were not too well received by opposition members.

Mr. Woolliams: Nobody complained.

Mr. Mackasey: But it is significant to me that these hon. members in rebuttal—from their seats, I may add—pointed out that similar attacks had been waged on the then prime minister, the present right hon. Leader of the Opposition. Let me say this, that one of the advantages of being a relatively new member in the house is that I do not have a vast store of insults and attacks launched three years ago, five years ago or ten years ago, at my disposal. Frankly, this house suffers too much from the elephantine memory of many of the members of the House of Commons.

I am not afraid of a good, bitter debate; I have participated in a few of them in my time in civic politics. In fact I sometimes relish them. But I think there is a vast difference between debate and the type of unwarranted and unnecessary attack that was made on the Prime Minister this afternoon. And I am rather disappointed that the attack should come from the hon. member for Bow River, whom I happen to like more than perhaps most acquaintances I have met since I have been here. I am afraid he may have an affinity for this type of attack, because en editorial appearing in the Calgary *Herald* of March 12, 1962, entitled "The wrong kind of politics", had this to say:

> When a man is elected to the House of Commons, he accepts a public trust which places upon him, among other things, a certain burden of moderation including moderation in speech.
>
> This point seemed to escape Mr. Eldon Woolliams, Conservative member from Bow River, when he addressed a recent meeting in Edmonton and said the Liberal party—

The Chairman: Order. May I suggest that the hon. member is out of order in referring to the hon. member by name. It is better that he should refer to hon. members by the constituencies they represent.

Mr. Mackasey: That is proof, Mr. Chairman, of my relative newness to this house, and I apologize for my mistake.

Mr. Woolliams: Mr. Chairman, I wonder whether the hon. member, before he reads the editorial, would permit one simple question. I did not hear all his remarks just before six o'clock because I had an appointment, but I certainly came here to hear him tonight. I wonder if he would explain—because no doubt he has had some conversation in this regard—how it was that the Prime Minister was able to absolutely contradict himself on at least two occasions; and there were many other occasions to which I could refer. If he can throw some enlightenment on that point, for the benefit of the house, I would be most grateful. I do not call that a vicious attack.

Miss Jewett: You don't like the editorial.

An hon. Member: Hark who's talking.

Mr. Woolliams: I don't mind the editorial. It is a Liberal newspaper.

Mr. Mackasey: Mr. Chairman, among the other talents that the hon. member has, of course, I must now add patience, because I certainly intend to get to that point. The member from Bow River is an honourable member who usually, while making his point forcibly, stays within the bounds of decency—

Mr. Churchill: On a point of order, Mr. Chairman, is the hon. member reading from an editorial? The hon. member is apparently being critical of one of the members of this house. I think, Mr. Chairman, you will find he is out of order. Let the hon. member make his own assessment of other hon. members in this house and not rely on outside people for it.

The Chairman: I did not understand that the hon. member, at least at this point, was reading an editorial.

Mr. Woolliams: He certainly was.

The Chairman: If he was, perhaps the hon. member would say so.

Mr. Mackasey: I can assure the committee, Mr. Chairman, that this was written in the Calgary *Herald* on March 12, 1962; but I will not go any further with it except to assure the hon. gentleman who just interrupted that this is a very authentic document—and I am sure he understands what I mean.

Some hon. Members: Hear, hear.

Mr. Mackasey: The fundamental point that the hon. member for Bow River should have emphasized in the debate revolving around the Pearson film is, not whether the Prime Minister and his advisers had seen it once, twice or 50 times but whether, having seen it, they passed judgment on it and were then able to influence the C.B.C. not to show it. The basic principle that this parliament should not interfere with the C.B.C. programming is one that every member of this house should endorse, whether he is a government or an opposition member.

Some hon. Members: Hear, hear.

Mr. Mackasey: I am already on record in this regard; so are, for that matter, most members of this house, if we look back far enough, including the hon. member for Bow River.

But where is the consistency in this regard, if the same members who stress the sanctity of the C.B.C. in the field of programming now ask the government to interfere, intervene and order the C.B.C., through the good offices of the Secretary of State, to show the film. Incidentally, Mr. Chairman, the hon. member for Bow River suggests that the government in this debate or during the question period—and I have not the blues and I apologize if I am quoting incorrectly—made reference to the film "The Chief". It is possible that an individual member on the government side may have made reference across the floor of the house, and if so I apologize for that; but I cannot find any references in *Hansard* of the government so doing. To show my own high regard, not only for the Prime Minister's office and the office of the right hon. Leader of the Opposition and, of course, for the fine men who occupy these positions, let me say that I personally sent a note of congratulation to the right hon. Leader of the Opposition the night I saw "The Chief". I said then, and I repeat it now, that he is a great Canadian, and I am not ashamed of this fact.

Some hon. Members: Hear, hear.

Mr. Mackasey: I say that attacks on the personalities of men of this stature, our great figures, can only result in the further deterioration of parliament and its great traditions. However, since the hon. member for Bow River has questioned the answers given

—off the cuff, by the way—by the Prime Minister during the question period—

Some hon. Members: Oh, oh.

Mr. Mackasey: —and has tried to infer that they are contradictory, let me give this explanation, which I hope members will accept in the light of the fact that the Prime Minister is an honourable gentleman—

Mr. Woolliams: Let the Prime Minister answer for himself. Why doesn't he?

Mr. Mackasey: I am sure, Mr. Chairman, the hon. member for Bow River, with his courtroom experience, is not going to let a simple novice like myself get under his skin. I am sure he will have enough patience to listen to me without interruption. The facts are as follows. Although the Prime Minister made these facts, as he thought, as clear as possible to the house it is obvious that the hon. member for Bow River did not understand or perhaps did not choose to understand. He is the only man who knows that. But the basic fact is that the Prime Minister has not seen the Pearson film as it has now been shown to the press—

Some hon. Members: Oh, oh.

Mr. Mackasey: —and as it now exists in the hands of the producer.

An hon. Member: You are splitting hairs.

Mr. Mackasey: Surely everyone realizes that making a film in many ways resembles the preparation of a speech; it must go through several drafts if the finished product is to be worth while. The Prime Minister, as was his privilege since he was the subject matter of the film, saw the first draft, and that is what he told the house in his answer. Later when he had the opportunity he saw a slightly revised draft; but he again told the house that the sound on the second occasion was so bad that he left the showing before it was finished and has never seen it since. He repeated time and time again that he had not seen the "Mr. Pearson" film, as the press have, and hon. members have asked to have shown on the C.B.C. I do not know whether all hon. members believe him, but I for my part am quite happy to accept the Prime Minister's statement as the statement of a gentleman.

Another point brought up today by the hon. member for Bow River was the supposed shots of a cabinet meeting. Now, I think that this is a trap which I might have fallen into had I been on the other side, but this charge was prompted by a picture which appeared in several newspapers, supposedly taken from the actual film itself. But again the Prime Minister and my hon. friend who sits just in front of me but whose constituency escapes me for the moment, has testified that the picture appearing in the morning newspaper does not appear in the finished film. Again I appeal to hon. members to accept the veracity of the statement of the people who made it.

Mr. Bigg: A lie is a lie.

Mr. Mackasey: Well, some of us can recognize lies more easily than others. I cannot, and perhaps I am unfortunate in that respect. But I do honestly and sincerely believe in the premise that we are all honourable gentlemen and that if we make a statement in this house it should be believed by everyone, and no hon. member of the House of Commons should take advantage of that fact and deliberately lie, and least of all the Prime Minister of Canada.

Another point is this, and it concerns the supposed meeting of the cabinet committee. The opposition is full of members of former cabinets and they know what a committee meeting of the cabinet is, that it has an agenda, that minutes are taken, and so forth. In actuality the film simply photographed—and this might be poetic licence, if you like—a meeting of several ministers in the Prime Minister's office for a conference. Is this so unusual? This has been done before to accommodate news photographers, and I trust the opposition will accept this statement as true without requiring my source of information.

Second, my hon. friend from Bow River, gathering steam as is customary when he really gets going, became a little indignant about a letter from some so-called intellectuals, who I think lived up to their reputation as absentminded professors because they actually forgot to sign the letter. In fact, the Prime Minister did not get one version but two versions of the letter, neither of which was signed, and one of them was not even addressed to him as the Prime Minister of Canada. That is hardly the conduct of intellectuals.

Mr. Churchill: He got one letter addressed to him though, did he?

Mr. Mackasey: Does the hon. member for Bow River really think that the Prime Minister was misleading the house in his answers? I submit he cannot be serious.

Mr. Churchill: Would the hon. member permit a question?

Mr. Mackasey: The fourth and final charge to this house in this terrible indictment of the Prime Minister concerned the Olympic games, a matter of national concern. Everyone knows that the minister of health and welfare did attend the winter Olympic games, and the Prime Minister as well as the hon. lady herself so answered when questioned in the house. The confusion, if any exists, lies in the definition as to whether or not we presented a brief on behalf of Banff for the 1968 games. What purpose could the Prime Minister have in misinforming the house on this subject? The facts are very simple. Under the Olympic rules the government could not officially—and I emphasize officially—make representations for the next winter Olympic games since they are awarded to cities, not countries. Whether or not the minister and other officials made unofficial representations on behalf of Banff or on behalf of the country is left for hon. members to decide.

The hon. member for Bow River has made many friends on this side of the house by his very impartial conduct in the privileges and elections committee recently, where he fought hard but fair and square and honestly, and we appreciated his efforts. His aggressiveness remained fair and unsullied, and we would not want to see his reputation tarnished in this house by his unwarranted and unsubstantiated attack on the Prime Minister this afternoon. On reflecting a little I am sure that he, like all hon. members in the house, would not like to take political advantage of a man who has the complete respect of all Canadians. Perhaps the hon. member this afternoon was carried away by the power of his words. He invoked the law of God to strengthen his belief—and these are his words as I saw them later this afternoon—that the Prime Minister should resign. Certainly all hon. members would need not only the law of God but the law of wisdom, the divine law and even the natural law—and he invoked them all—to convince them that the Prime Minister is other than what all hon. members of the house know to be the fact, namely a great Prime Minister, a great Canadian, and a simple, honest, true citizen of Canada.

Mr. Starr: That was a nice job of whitewash.

Mr. Nielsen: Mr. Chairman, I was one of those who were initially interested in this matter of the C.B.C. suppression which this government brought on in respect to the film "Mr. Pearson", and I have remained interested in it throughout. I followed the debate on the film and the various questions which were asked, and not only do I think that the hon. member for Bow River was justified in making the remarks he did, which I wholly endorse, but I intend to go further than he did.

After reading Friday's proceedings when hon. members opposite were so thin-skinned as to move a motion to expel the hon. member for Qu'Appelle from the house, I thought to myself that this is a very strange change indeed from the days when the four horsemen of the apocalypse were sitting on this side of the house and charging the then prime minister, who is now the Leader of the Opposition, with gross deceit and other similar epithets to which no objection was raised on the government side at that time.

I am not going to say that the Prime Minister lied; but when reading page 3429 of *Hansard* we find this answer of the Prime Minister to a question:

> —We do not censor films on this side of the house.

I say, sir, that that is a lie, because that is precisely what happened, as I intend to show tonight.

I say too that at page 3430 of *Hansard* we find a reply of the Prime Minister which is reported as follows:

> The circumstances were perfectly proper. The initiative was taken by the producer of the film, and no question of censorship arises.

I also say that that statement is a lie, and I intend to back up my assertions this evening by facts, not by diversionary tactics and flights of fancy such as that embarked upon a moment ago by the hon. member for Verdun.

I submit that all of this points up a pattern which has been forming over the past several months where the government has been using the C.B.C. as a tool for their own propaganda purposes. This has shown itself in a speech which the Minister of Transport made in Quebec city in February of this year; and the Secretary of State, the notable "minister of culture" in this house, has made similar remarks with respect to public communications media. This episode of the film "Mr. Pearson" produced for the C.B.C. at a cost to the Canadian taxpayer of $35,000 is just the culmination of this whole pattern of control which the government is attempting to exercise over the C.B.C. They may have control over the management of the C.B.C. I think, too, this switch from Mr. Dunton to Mr. Ouimet is significant in this regard; it was brought

about shortly after the government now sitting on the treasury benches took office. But while they control the management of the C.B.C., many of the personnel of the corporation's public affairs division do not like this transpiring of events at all. The public affairs personnel I am sure are endeavouring to do a job as impartially as they can and when they receive instructions from top management which in turn receives instructions from cabinet ministers, the Prime Minister, the Prime Minister's secretary and the supreme brain truster of the Prime Minister's office, what can they do? He has a $40,000 a year salary to lose and the other management officials have careers to lose as well. I say that pressures were brought to bear on the C.B.C. in this case and I suggest the facts point indisputably to that conclusion.

I was disappointed in the hon. member for Verdun. I thought he was perhaps overwhelmed by his own press releases which appeared after his contribution to the debate on the flag issue in this house. He almost had us in tears. If it were not for the crocodile nature of his own tears just before supper time he might have made more of an impression on the sensibilities of members of the committee. But, as he said, he is a new member and he was not sitting over here when his party was in opposition, and listening to new lows in the calibre of debate such as that which was exemplified by the Associate Minister of National Defence on one occasion when he made an unpardonable and absolutely rotten attack on the prime minister of Canada. Search as the hon. member for Verdun will, he will not find in any public speech on any public occasion an instance where the leader of the official opposition has had the degrading things to say about the present Prime Minister that the Prime Minister of today had to say about the Leader of the Opposition when he was prime minister of this country. A more degrading exhibition of distortion of the truth which the present Prime Minister was guilty of when he was leader of the opposition could not be found anywhere, and all for the purpose of gaining power, and all for the purpose of deception. If any deception, and to use the present Prime Minister's own words, if any gross deception, existed at that time it existed in the utterances he made at that time with respect to the activity of the then prime minister, now the Leader of the Opposition.

What are the circumstances which have led to an examination of the film "Mr. Pearson"? I believe that pressures were not only brought to bear by the Secretary of State for External Affairs—that appears to be quite evident—and by the Secretary of State, to whom I am more prone to refer as the minister of culture, since he is in control of every government-controlled medium of information in this country, as well as by the Prime Minister himself, but also by Mr. O'Hagan, the Prime Minister's secretary, and by the supreme brain truster, Mr. Kent, who works in the Prime Minister's office. All these people had a word to say about the cutting and snipping which went on in the film "Mr. Pearson". Yet the Prime Minister has the gall to stand and say: We do not stand for censorship.

An hon. Member: Nonsense.

Mr. Nielsen: Absolute nonsense and deception, I say, because apart from the hair-splitting tactics which all the cabinet ministers including the Prime Minister have adopted in respect to the covering up of their snipping and cutting of this film, and their suppression of it and their censorship of it, one fact here emerges: The film was made at a cost of $35,000 to the Canadian taxpayer by a body which is supposed to be independent of any political pressure and yet, mysteriously, for the sole reason, the C.B.C. says, of technical inadequacies, the film is not shown. I have a fairly high regard for the capability of C.B.C. technicians and, surely, the management of the C.B.C. is not so naïve as to retain a producer of films—Intervideo Productions—if they do not have sufficient regard for the technical ability of that firm as being likely to meet C.B.C. standards. So this reason, it seems to me, is very shallow indeed. Both the Prime Minister's office and the C.B.C. have denied that political pressure was a factor in shelving this show. But the account I intend to put on the record now—an account of the backstage manoeuvring which culminated in a decision to shelve the film—was made public in the Toronto *Globe and Mail* on June 16 last. The hon. member for Verdun has the naïveté to say that the pictures which were published, pictures taken inside the cabinet chamber, were not part of the production of the C.B.C. film "Mr. Pearson". Yet in this issue of the *Globe and Mail* there appeared, obviously clipped out of the film—

Mr. Mackasey: At no time did I say they were not in it. I said they did not appear in the film as presently—

Some hon. Members: Oh.

Mr. Nielsen: At least the hon. member for Verdun has the honesty to rise now and say that there has been clipping and snipping of this film which amounts to censorship, and twist and squirm as hon. members opposite would like, they cannot get around that fact. There is only one member opposite I can think of who could squirm and quiver his way around that fact, and he is the Secretary of State for External Affairs whose fine hand was very prominently displayed in the snipping and cutting which went on.

I asked the Prime Minister on May 21 if the film had been viewed in his office. Instead of being as devious as he was in his replies on that day, he could have said: No, it was not viewed in my office, but I did see it in Toronto. Instead of that he chose not to say anything. He said: It was not seen in my office. Subsequently, under pressure from questioning, he said he had in fact seen it in Toronto. Then, under further pressure, he said he had also seen it in his office in the east block. I asked him if he had seen it five times.

It now transpires that it was viewed on no less than 12 occasions by members of the Prime Minister's cabinet and staff. I believe what I read in the *Globe and Mail* in this regard. Mr. Braithwaite has obviously made a very careful investigation into these facts. Nobody has denied it. Nobody has denied it over there. The danger exists here that if they viewed it once, if any one of the cabinet ministers or the Prime Minister viewed it once with a view to censoring or snipping any part of it, it was wrong and they know it. What they have done in this whole episode is to prostitute the integrity of the C.B.C. The C.B.C. has no alternative now but to refuse to produce the film. If they do produce it, it will be subject to the pressures brought about by the political connivances of the government, and if they do not produce it the result will be the same. It seems to me that the government is on a very sticky wicket indeed.

What about this right of censorship? When the Prime Minister got back to Toronto from New York where he had a meeting with Mr. Ballentine, Mr. O'Hagan, Mr. Pennebaker and others, the producer drafted a letter to the Prime Minister setting out the conditions he had discussed with the Prime Minister personally. This letter, which Ross McLean of the C.B.C. helped to rewrite into its final version, was an extraordinary document that practically gave the Prime Minister full right of censorship over the proposed film. At one point it stated:

> The finished film will be yours to judge and approve before it is made public and thus will contain nothing to which you object.

Mr. Sharp: Is this objectionable?

Mr. Nielsen: In reply to the Minister of Trade and Commerce, may I say that I think it is very objectionable. Surely such a reasonable man, such an intelligent man as the Minister of Trade and Commerce will agree with me—

Mr. Sharp: No, I do not.

Mr. Nielsen: —that any letter which would subject any production of the C.B.C. to the right of review is wrong.

Mr. Sharp: If they took a picture of me I would demand it.

Mr. Nielsen: This film was contracted to be produced for the C.B.C. with the Canadian taxpayers bearing the cost, and here is Mr. McLean of the C.B.C. agreeing with a state of affairs which became rather uncomfortable for him later on, as I will point out when I have the opportunity. He is agreeing with a policy whereby the producer writes to the Prime Minister and says: You have the right to review the film and anything you wish to object to will be cut out.

Mr. Sharp: Perfectly proper.

Mr. Nielsen: Mr. Chairman, if that is the minister's conception of what is proper, then I think we have no hope for any further independent action on the part of the C.B.C. The minister absolutely astounds me when he says that sort of conduct is perfectly proper. Surely if we are to maintain the integrity of the C.B.C., its actions with regard to what it will produce and what it will not produce cannot be subjected to any action which would in effect constitute a censorship board, whether it be by an individual or by a group such as the cabinet. Surely this is very wrong. The letter did not stop there because Mr. Ballentine agreed to shut off the camera whenever requested to do so. It seems to me that this is going a little bit far if any integrity of independent action on behalf of the C.B.C. is to be maintained.

Finally, he stated he would like to be regarded as a biographer "as official or unofficial as you desire".

At a later time when the project came under Mr. McLean's control he is reported as having said with regard to the letter:

"We just can't pretend it doesn't exist."... Public affairs supervisor Reeves Haggan wrote to the Prime Minister withdrawing the Ballentine concessions—

Mr. Francis: May I ask the hon. member a question?

Mr. Nielsen: Certainly.

Mr. Francis: Would he himself as a member of the house be prepared to let the C.B.C. do a film on a day in the life of the hon. member for Yukon under the conditions he has now indicated are proper?

Mr. Nielsen: I can see no reason why I would not agree completely to the C.B.C. hiring an independent producer like Intervideo Productions to make a film concerning the activities of a day or a month, if they could keep up with me, without any concessions made to me as to what would be kept in that film and what would be taken out of it. There is the nub of the thing. The Prime Minister and his cabinet ministers have had very positive things to say about what will stay in the film and what will be cut out of it, and this is what we on this side say is censorship. This is what is wrong. Belatedly they realized this very thing, because after the letter granting the Prime Minister these concessions had been perused and given a second hard look by the C.B.C. they then repudiated the letter, and after they repudiated it the cutting and snipping still carried on. This is even more astonishing if the minister has been following the events that have transpired because of this fact:

Reeves Haggan wrote to the Prime Minister withdrawing the Ballentine concessions and stating the film would be made according to normal practice, which would be to give the Prime Minister the right to raise certain objections but not permit him to control the film's entire contents.

The Secretary of State for External Affairs apparently came away from the viewing with a long list of objections. Similarly, the Minister of Finance came away from his first viewing of the film with a long list of objections, as did other cabinet ministers. The Secretary of State for External Affairs looks puzzled, so I think I will take him now to the list of objections he raised, in the event that he may want to leave early.

At the screening on January 6, with McLean, Ballentine, O'Hagan and Hal Dornan of the Prime Minister's staff attending, Mr. O'Hagan requested the following sequences be deleted:

A remark by O'Hagan involving Canadian Press.
A remark by the P.M. about a former press secretary of opposition leader Diefenbaker.

An unguarded comment by labour minister MacEachen.
A facetious remark by Mrs. Pearson.

I can remember another facetious remark by Mrs. Pearson that was published in *Maclean's* magazine just after the last election about the dirty dogs on the prairies.

Mr. Horner (Acadia): The prairies will never forget it.

Mr. Nielsen: I continue:

Comments by a government chauffeur. One "Lord" and two "Gods" by the P.M. (One "hell", one "damn" and one other "God" to be retained.)

Then there is reference to what has come to be familiarly known as the Coutts car sequence. The article continues:

—and some remarks by Gordon Robertson, clerk of the privy council, were discussed, but finally it was agreed the latter would remain. At the conclusion Mr. O'Hagan expressed the opinion that the film was a good one.

What have they left after all these snips and cuts? Usually the Secretary of State for External Affairs is more prominently displayed in the press, but I cannot seem to find him at the moment.

Mr. Fairweather: They cut out God.

Mr. Nielsen: Here we have the reference to the prominent Secretary of State for External Affairs:

By April 5 all was settled and Mr. Ballentine screened the finished film for Reeves Haggan. On April 30 he took the print to Ottawa for what was to be the final screening for the Pearson people. This event which took place at the east block office at the fashionable hour of 8 p.m. had some trappings of a major movie opening.

On hand were such luminaries as Keith Davey, president of the National Liberal Federation; Trade Minister Mitchell Sharp; External Affairs Minister Paul Martin (whose comments were to be a highlight); Tom Kent, supreme brain truster to the Prime Minister; O'Hagan, Reagen, Coutts, Haggan, Ballentine, Dornan and a number of wives and secretaries to the principals. Labour Minister MacEachen arrived about half way through the screening. The Prime Minister wasn't there.

At the final fadeout, Mitchell Sharp described the picture as an "astounding document." Mr. Haggan asked Mr. O'Hagan—

There are a lot of Irish in this.

—if the cut-down Coutts car sequence was okay. Mr. O'Hagan said it was. Paul Martin, who had made notes during the showing, now read these to the happy first night audience, noting his reservations as he went along.

I can just imagine that the reservations of the hon. minister must have been as long as the film itself.

He objected to a portrait of Sir John A. Macdonald in the Prime Minister's office being shown twice while the one of Sir Wilfrid Laurier was never shown.

He objected to the Prime Minister (in the film) referring to Hailie Selassie as the last emperor in the world, since Japan still had an emperor.

As a Roman Catholic, Mr. Martin did not object to the cuss words, but was afraid Presbyterians and Methodists would.

The next bit is understandable, knowing the hon. minister for even the short space of seven years as I have.

Mr. Martin would have gone on, but Mr. O'Hagan suggested that they all go into his office to discuss the film privately, leaving Mr. Ballentine outside with Mr. Haggan. Mr. MacEachen stayed with them and they screened for him the part he had missed. He found it highly amusing, as the press gallery reporters would when they saw it much later.

In about half an hour, Mr. Ballentine and Mr. Haggan were called to Mr. O'Hagan's office, where they were told that everyone thought highly of the film. Tom Kent called it brilliant. However, it must be understood that there was some concern about it from a publicity and political point of view.

Mr. Haggan said he thought it was sympathetic to the Prime Minister. But some of the Liberals were afraid it might not be understood by the public, that it might too confusing. Anyhow, Mr. O'Hagan said, there could be no decision right then because the matter had to be discussed with the Prime Minister.

Possibly it is reasonable, sir, to wonder whether Mr. Ballentine's offer to the C.B.C. over the film rights had not coloured his attitude considering the almost incredible concessions he made to the Prime Minister in his letter of September 23. It is almost inconceivable that such concessions could be made which would so prostitute a government crown corporation charged with the responsibility of independently and impartially disseminating public information. To have made such a concession, I think, is gross control and, in fact, censorship. The main point of the C.B.C. was to conduct a private screening for the Prime Minister and his aides of the film that was later to be shown to the public as a candid documentary, independently made and not an official government or Liberal party film.

Here, I would suggest to the Minister of Trade and Commerce is the distinction between his assertion that these concessions were perfectly proper, the distinction between that sort of attitude which, in effect, I suggest to him amounts to absolute censorship of a production by the C.B.C., something to which the C.B.C. should not be subjected to at all, and the situation where the Liberal party may have had a film made which they could review, snip and cut to their hearts' content. However, in this situation, the propriety of the corporation's accommodating attitude and action is open to question.

I say it is open to question, and this is one of the reasons that the government is in such a dilemma now. If the C.B.C. does submit to the pressures that are brought and continues to refuse to show the film, then you have a situation where the government is, in effect, controlling broadcasting. On the other hand, the integrity of the C.B.C. management cannot be the same at all because if they do show the film the only reason they will change or alter their decision will be the political implications that have arisen out of the fumbling and bumbling of the government in its handling of this whole issue. What we have in this situation is a crown corporation responsible to a political party, the Liberal party. What we have in this situation is a crown corporation, which is supposed to be independent and which has been subjected to political control, censorship and political pressure by the government in office.

I well remember how the present Minister of Transport, when he was on this side of the house, rose in his righteous wrath and indignation at the time of the suspension of the production "Capital Report". I can still hear him waxing eloquently on the independence of the C.B.C. Where has that independence gone today? It has been completely suppressed by the actions of the government.

The Chairman: Order, I regret that I have to advise the hon. member that his time has expired.

Mr. Fisher: Mr. Chairman, the committee has had, I think, far too much of the Pearson film. I think the responsibility, in the main, rests on the fact that the whole matter has been bungled, I will not say by the government, but obviously by the coterie within the Prime Minister's office. On the whole, I think they have been less than candid.

I should like to begin my remarks with what is, in effect, an apology. In looking at *Hansard* I see the Prime Minister challenged me during the question period to indicate whether I had any evidence to prove there was actually a formal cabinet meeting or a formal meeting of the subcommittee of cabinet for the film, since I had seen the film. I had hoped that I had not tried to give that impression. Certainly, I was aware that this was a meeting of cabinet ministers. It was obvious that there was not an official there from the privy council office to give it any official sanction.

However, I should like to make one particular point in connection with this matter.

The real power, as is so often the case in a Canadian situation, is in the shadow or ceremonial imprimatur that cloaks reality and is a myth not in things such as an official cabinet meeting, a subcommittee of the cabinet, and so on. The reality is that we were given in that film something a little more racey than a subcommittee meeting. We were actually seeing an ad hoc group of ministers meeting with the Prime Minister to discuss an issue of the day. It is obviously not an official cabinet meeting nor an official subcommittee meeting of the cabinet, but I would suggest it is not semantic to argue that the impression of the real reality was that this was an important meeting.

I do not know whether these things should have been exposed to film or not, but I just want to present that as a bit of an addendum to the discussion which took place here when the hon. member for Qu'Appelle was named. There is a hypothesis I want to put before the committee. I do not think we will ever get the true and exact story of what took place. I have spoken at length to the official spokesman of the C.B.C. about this and questioned him about it. I refer to Ron Fraser, vice president of the C.B.C.

I have known Mr. Ballentine for some years and have been acquainted with his whole position, and I believe Dennis Braithwaite of the *Globe and Mail* was almost completely indebted for the details in this column, that was read by the hon. member for Yukon, to Mr. Ballentine. Also, like many other members around here I have other contacts through which information comes to me and I think I can reconstruct almost everything that took place. There is very little that took place that is not in the Braithwaite story, but the whole key of the issue is: Was there political interference?

My hypothesis—and of course it depends how you look at it—is that there was. I honestly believe that at this meeting where the Secretary of State for External Affairs and the Minister of Trade and Commerce buttered up Mr. Ballentine a little bit after seeing the film, and then withdrew into their private discussions—I honestly believe that the decision was taken there that this film should not run. I honestly believe that from what I know, and my hypothesis is that the vote was overwhelmingly that the film should not run.

I also believe that Mr. Haggan was privy to this decision at this very point, and I think Mr. Haggan, from the views set out in Mr. Braithwaite's article, was prepared to fight against this, but I think in honesty to his own superiors I should point out and remind hon. members that here is the director of the public affairs programming of C.B.C. television, repeatedly in on these discussions. In other words he recognized this was a very important and difficult film, and he had close contact throughout. I am convinced, and I advance it as my hypothesis, that Mr. Haggan was aware, either through Mr. Richard O'Hagan, the press secretary, or through some closer contact with the people who took the vote, that it was the feeling of the government that this film should not be shown, and it is my hypothesis that he submitted this opinion to his superiors; but I think he wanted to show it despite what they felt.

But I think once that view was given to his superiors about the way the cabinet ministers, and the particular little coterie that hangs around the Prime Minister's office and assists as his advisers on things like that, felt—once that happened, this led the officials to make their decision. Obviously the idea of the Prime Minister picking up the phone and calling Mr. Ouimet or Mr. Fraser and saying, "We don't want that to run" did not happen. I think it is nonsense to suggest that.

I am not suggesting there was anything particularly devious or dirty about what took place, but certainly that vote of the Liberals against the film somehow got to the senior people of the C.B.C. and I think this influenced their judgment, along with the fact that some of them were against what they called the technical shortcomings of the film. That is my hypothesis and I do not know where we go from here.

I suggest one of the reasons this situation developed is because typically this government and this Prime Minister continue to be less than candid with the House of Commons and with the people. I am not suggesting the members of the government are deliberately dishonest, but they are managerial. They are trying to manipulate, and I want to offer evidence of this. A lot of hon. members have not seen the film but I want to mention two incidents in the film which indicate the kind of managerial approach I am talking about.

There is a little discussion in the film, at least in the film I saw down at Crawleys, about a telecast the Prime Minister is going to do the next day, and it is very entertaining to watch the sort of Uriah Heap-ish mothering that Tom Kent gives him. He is going to make sure he has everything lined up for the telecast, but in that discussion that takes place, with Mr. Kent's unction flowing

around the scene, there is a suggestion that the Leader of the Opposition would demand equal time. The Prime Minister says, "We are not going to have any of that," or words to that effect. It is right there in the film itself but no one has picked it out and selected it as an indication of the approach I am talking about. There is the suggestion, "No, we are going to handle this thing so that the Leader of the Opposition is not going to have a go."

It illustrates something it is hard for me to understand—the inordinate fear the Prime Minister has of the former prime minister; but it also indicates the approach, "We are going to manage things so that we are going to have things our way. We are going to have the image, not them."

The other point is also a compelling one. The Minister of Labour is interviewed by Mr. Harnett of CFRB, a radio man here on parliament hill. The minister gets into a predicament in this scene and I sympathize with him because I have encountered it myself on occasion. He gets into this predicament and says too much about the fact that it may be necessary to call troops in on the Montreal dockers' strike. Then he starts up the stairs—a beautiful scene—then turns back and says, "I would appreciate it very much if you did not run that little bit," and the reporter, Mr. Harnett, says, "You want it cut out"? and the minister says, "I would really appreciate it." Well, a minister of the crown asks you to do something like that. Fine. There is nothing really wicked, but I suggest to you it is part of the managerial approach—"we know how to govern; we know how to manage things," and one of the great problems of the government across the way is that this approach is really their downfall.

They think they are the administrative geniuses. They think they know how to handle things, but ever since they got in they flubbed on point after point. These people are manipulators. They think they can manage and think they can do things, and though I do not feel sorry I do feel sympathy for a lot of the government backbenchers who have to sit there and watch the finicky perambulations along the front bench, as they watch one minister after another getting into trouble, right from the budget of last year down to this last and silliest of things.

Can you imagine the amount of time parliament has taken up with this ruddy television film? Yes, I have helped to bring that about because it is a classic example of the approach of this government. They don't like criticism. They cannot stand it. They have not got the skin for it. When they were over here we used to call them the four horsemen of the apocalypse. You could not stop them; they were in there knifing. But once they got into power they wanted to get back to those pre-1957 days, warm, with Blair Fraser putting out the honeyed phrases about this greatest collection of talent in Canadian history. Haw, haw, haw.

Here we have a situation that could have been cleared up right off by a candid, complete statement of about 200 words by the Prime Minister. But instead, what happened—they backed away and backed away, and the terrible thing is that one television man's reputation, Mr. Ballentine's reputation, could have been ruined. Maybe it is ruined over this incident, but not one of the ministers in this particular case was prepared to come to the rescue.

What does the Secretary of State for External Affairs tell us? He rebuffed me and there was this big laugh. This was his private life; why should anybody interfere with his private life? He told this producer he was pretty good. Tom Kent thought this was a brilliant documentary. The Minister of Trade and Commerce, what was his approach—"an astounding documentary". He told this producer he had done a good job. Yet where were they when it came to standing up for this man who had been insulted by the C.B.C.? This is the kind of thing I think is important. Where is your heart, I say to them, when someone's whole career is put in jeopardy? Where are you? You saw the film; you did not like it; you handed out a bit of blarney, and then you turned around and let the fellow sink. This is one of the tragic things about it, this managerial nonsense about the crew.

This is an excellent television film and it would not do the Prime Minister one bit of harm. As a matter of fact, I think it would show him to a great many people in this country in a sympathetic light. But they are so smart-alecky, so managerial, so much the image-makers that they just could not let it go through; they could not take the chance. This is a government that, as a result of one tawdry little incident, have lost sight of the fact that they have blighted one man's reputation and have put the C.B.C.'s integrity in jeopardy. Yet the Prime Minister the other day told us, "Wait till interim supply and I will have a statement". What do we get? I mean no insult to the hon. member for Verdun, but that hon. member comes in, in reply to an attack made by the hon. member for Bow River, and reads a speech that I

suggest he must have had some advice on from certain quarters.

Some hon. Members: Hear, hear.

Mr. Fisher: I do not object to that.

Mr. McIlraith: Mr. Chairman, on a point of order, I am sure that the hon. member, who was not in the house when the hon. member for Verdun first rose, would not want to mislead the committee. The hon. member for Verdun was here and started to speak immediately he had the opportunity.

Mr. Fisher: I am not a sensitive soul like the crew over there or the crew here; I am not making an accusation. If the hon. member for Verdun thinks this Prime Minister is a great Prime Minister and he has been unfairly attacked, more power to him in getting up and defending him. But where is the Prime Minister? He undertook last week that he would be here. I am not suggesting that he can be here all the time, but he should have come here on interim supply and given us the full story, because it appears that his spokesman on radio and television matters, the Secretary of State, knows nothing about it in fact; he knows nothing about this story because he was excluded, really, from the developments.

Mr. Danforth: The quiet man.

Mr. Lamontagne: Quieter than you, anyway.

Mr. Fisher: I am not trying to be unfair to him; but the whole point is that there was this small group centred in the Prime Minister's office who wanted to turn out something that would be really terrific, and when they found out it was not really terrific, then we get the squeeze, then we get the pressure, then we get the clamp.

I suggest, Mr. Chairman, that this house should forget about this incident in any detail as soon as we get a statement from the Prime Minister or someone who is authorized to speak for him, and who can set out the thing from the beginning to the end from the government's point of view. Then let us have some kind of solution initiated by the government, about which I am sure spokesmen for the parties in the house are prepared to agree, and have indicated to the C.B.C. that this film must and will be shown. I want to suggest to hon. members that when the film is shown everyone will wonder what all the panic was about. This is to my mind, despite what the hon. member for York-Humber said about it, a rather brilliant film. I think the conception of starting with a radio broadcast in the morning and ending with the national news at night, with the voice of Earl Cameron blending all the way through, is a very good idea. There is the deliberate denial of a great deal of editing or pushing by any announcer to tell you what is going on. This is part of the success of the film. But this is a matter of individual judgment.

One of the things I find it hard to forgive the C.B.C. for is the excuse that this film had technical shortcomings and was not up to normal standard. This really hurt me, because I was on a C.B.C. program last year that, frankly, was a turkey; it was one of the real lousy stinkers the C.B.C. has turned out. It was an hour program. I can still remember it when they talk of technical shortcomings. For about two minutes there was the voice of John Deutsch, the head of the economic council, I think, over the film with the view of the Ottawa river sparkling in the sunlight. This is what you get when you talk about the technical standards of some of the C.B.C. programs. There was another long shot in the program. I remember that the band was playing "Chicago, Chicago" and we had a view of some skyscrapers silhouetted against the sky. And it was supposed to be a program on university education. I saw this three times while waiting for the show to go on, and I could not figure out what it was doing there. But this is in reference to the C.B.C.'s idea of technical excellence.

I would like to suggest to the minister who answers for the C.B.C. that we have had a little bit too much of this technical shortcomings aspect of the matter. We had the film about the advertising agency and the beauty product by Kelly that was withdrawn because it did not come up to technical standards. We have had a film on "Toronto File" of a young lady who had some unfortunate adventures, and that has not been shown because supposedly it is not technically good enough. This technical difficulty may be an indication of the high standards of the C.B.C., but I would like to suggest they would be much better giving us some more direct and thorough answer and reasons, particularly in connection with the "Mr. Pearson" film.

The last point I wanted to make, Mr. Chairman, with regard to the Pearson film returns to this whole question of the managerial approach this government seems to have to news, news management and to its image. This terrible sensitivity of the government to criticism is a complete denial of the tactics that government members themselves used when they were in opposition. Surely they

do not think they can go back to the good old pre-pipe line days when the sun shone in the sky, C. D. Howe was right with the world and the Liberals were wonderful. They cannot go back to that, and it is about time they faced up to the fact that maybe some of the criticism that is coming their way is merited and worth while. I cannot think of a better challenge to government backbenchers than to read what the hon. member for Bow River said in his indictment. Not that I support it all the way down the line. They should read it to see the number of times and the indications of prevarication, half truth or just a part of the truth. I do not say it is lying, Mr. Chairman, but I do say there is so much of it; so many of these inconsistencies.

I think of the comment of Charles Lynch of Southam News Services the other day about the capacity of the government. One of the things he had to say about the Diefenbaker government was, "They were never really clever or sharp enough to cover up their mistakes". He said about the present government, "It is using all its cleverness and sharpness to cover up its mistakes". I suggest this is the perfect incident that symbolizes the effect that has become so apparent in this government. I would like to suggest it is about time the Prime Minister or those who have some influence with him began to seize upon some opportunities to be honest and direct in all the dealings they have with this house and with the country.

Mr. Nielsen: Hear, hear; it's about time.

Mr. Fisher: Let us put the challenge to this government that has so much conceit and has done so little to deserve its own conceit, that from now on in their dealings with the House of Commons and with the country they stop speaking either out of only one side of their mouth or telling only one part of the truth. As someone in my own constituency said after the Prime Minister appeared on one of his television interviews a few months ago, "One thing you have to say about him, he will admit his mistakes". I am not suggesting that we have the whole confessional here, but I would suggest that the cabinet and the Prime Minister had better be a little more candid and deal a little more quickly with their mistakes. Then perhaps they will have some effect in this country and in this house and will begin to move toward all the claims which hon. members are making for them.

Mr. Fleming (Okanagan-Revelstoke): Mr. Chairman, in the last speeches made in this house by the hon. member for Yukon and the hon. member for Port Arthur, and earlier today by the hon. member for Bow River, serious charges have been made. There has been documentation of deceit resembling half truths and deviousness of the worst kind. Thus we have come at this hour to suggest to the Prime Minister and to the members of the government that it would not be enough to come to the house and admit their error or to apologize. I think it has gone far beyond that. We require one thing and one thing only, and that is that if these charges are correct—and they have not been denied; the documentation is so complete that they could not be denied—we must have some resignations.

Some hon. Members: Oh, oh.

Mr. Fleming (Okanagan-Revelstoke): We have had documentation of half truths, incomplete explanations, devious explanations, false explanations, no explanation. What is the tradition of parliament if we do not demand resignations? When a government is found guilty of these things, as this government has been, there must follow the resignations of those who are responsible; and if the backbench members of the government understand their position and the situation the government is in, they will demand the resignation of those who have led them into such a situation.

What is involved here, and let there be no mistake about it, is censorship; the total and complete control of the major public communications medium in this country. It is possible to become emotionally involved in this, and perhaps I am speaking with heat, but I have the right to do so. I have sat in this house this afternoon and again this evening listening to hon. members making charges against the government more serious than those which were made of any government since the Liberal government of 1956. Yet there has been total silence and no defence. There can be no defence possible of an indefensible position.

What has been the consequence of this? The Canadian people have made their judgment on that, and perhaps the last court of appeal will again be the Canadian people. But there ought to be in the party which now forms the government, a party with a great tradition behind it, sufficient strength among its backbenchers to demand the truth, not

just for parliament but for the people of Canada, about the censorship of the principal medium of communication in Canada. This is no time for playing or for making light-hearted decisions. We have been altogether too kind on this side of the house in asking for some kind of explanation from the Prime Minister. It is too late for explanations. It is too late even now for the truth from the Prime Minister, the complete and total truth, the whole story. This has had to be dragged out, not here on the floor of the house but by newspaper articles which are undenied, and from other sources of information unchallenged. We on the opposition side of the house challenge the government side that we not only require the total truth but we also require the resignations of those who have misled this house and given the house less than the truth in the last several weeks. There is no other answer to the charge. If there is, let anyone who can suggest it get up and challenge me now.

Mr. Woolliams: And let them not hide outside this house.

Mr. Fleming (Okanagan-Revelstoke): I have said, Mr. Chairman, if there is anyone on the government side who wishes to challenge my position now, I will yield him the floor.

Mr. Horner (Acadia): They haven't got the guts.

Mr. Fleming (Okanagan-Revelstoke): But they do not. Our position is that we have read the story in the *Globe and Mail.* We have heard the accusations which have been made by a number of speakers on this side of the house. It seems quite apparent that this film was subjected to scrutiny both by the cabinet and by the government. It was never shown. I do not think there has ever been an occasion since the founding of the Canadian Broadcasting Corporation where a film of this kind was made ostensibly for the members of the cabinet of the government of the day, and then withdrawn and refused to the public of Canada. There is no question that, whether or not it was a deliberate censorship, it was censorship in fact, because the Prime Minister, the Secretary of State for External Affairs, the Minister of Trade and Commerce and many other senior ministers expressed dissatisfaction with, or less than enthusiasm for, the film. This became very apparent to those who headed this public corporation, which is supposed to come under the jurisdiction of parliament but which in fact has now been debased and comes under the influence of the government itself. There is no precedent for this in Canada. There is no justification for what has taken place. Therefore my suggestion to the government is that those who are responsible for this censorship must resign, and they must resign at once.

Mr. Horner (Acadia): Mr. Chairman, it seems a shame that no one on the front benches of the government will rise in his place and defend the Prime Minister of the day.

Mr. Nielsen: They cannot do it.

Mr. Horner (Acadia): And defend the cabinet ministers who saw the preview of the film. It is a shame, and once again I am thankful that I do not belong to a party which is so gutless that they allow three or four speakers in a row to accuse them of lying, accuse them of deviation, of half truths, and not one of them will rise in his place to defend the cabinet members or the Prime Minister. I call them "gutless wonders", and that includes the cabinet and the gutless bunch of backbenchers over there.

I sat in my seat and gave these people time to rise and defend themselves. But shame on them; they would not.

Mr. Nielsen: They cannot.

Mr. Horner (Acadia): I only accept their silence as an admission that they are guilty. The hon. member for Yukon, the hon. member for Port Arthur and the hon. member for Bow River, who spoke this afternoon, laid the facts bare and there was no defence or denial.

Mr. Churchill: No answer, nothing.

Mr. Horner (Acadia): The Minister of Trade and Commerce was in the house and made some halfhearted attempts to answer the hon. member for Yukon when he was speaking. He said that censorship was all right when it concerned the Prime Minister; at least that is what I understood him to say. I am sure Castro would agree with him. I am sure Khrushchev would agree with him. But why did he not remain in the house and set the record straight? Why did he not rise in his place when the hon. member for Yukon had finished and say: "I never saw the film and I deny I voted either for or against it". He left the house because he knew that if he remained in his seat he would have to rise and make some sort of an attempt to answer the accusations made. In fact, when I look at the front benches now I see very few of the ministers who were in on the 12 previews. Why are not some of them in

the chamber—some of those who saw the film? It is because they do not want to answer the charges which have been made tonight. That is the nub of it, as far as I can see.

Mr. Munro: May I ask a question? Does the hon. member not think that the reason these ministers are not in the house may be that they have judged the calibre of the back benches of the opposition parties who are making these filthy smear charges?

Mr. Grafftey: You are learning arrogance quickly.

Mr. Horner (Acadia): I have ripped up and down the cabinet and the back benches and finally provoked a weak effort to smear me and fellow members who have spoken on this side of the house. But there has been no defence—no answer to the accusations which have been made. There has only been this weak attempt to smear previous speakers by those who feel they rule by divine right, as the hon. member for Port Arthur said—by those who feel that through proper management they can create and project an image which will never be forgotten by the Canadian people and which will keep them in their places forever and a day.

The Canadian people are not so gullible. They will not stand for a minister who has jurisdiction over the C.B.C but who fails to rise to defend the C.B.C. when charges are made. He does not care. I have never seen a minister in this house fail to come to the defence of his department or of the civil servants for whom he is responsible. I have never seen that happen before in my six years in parliament. But tonight accusations have been made and the minister has failed to defend the people involved.

Mr. Lamontagne: Heads will roll.

Mr. Horner (Acadia): Perhaps Ballentine's head will roll all right; there is no question about it. This is the very threat they hold over the C.B.C. This is the threat they hold over Mr. Ouimet. They increased his salary to $40,000, and now they say: This is what you do, and heads will roll if you don't do it. "Heads will roll". That will go down in history as a statement by the minister in charge of the C.B.C. In western Canada we have a few sayings we like to remember in political history. One is "heads will roll". Another is the famous saying of Mr. Howe—"What's a million?". Another favourite saying we remember is "dirty dogs". We will remember that. We will also remember "heads will roll" which the minister in charge of the C.B.C.—

[*Translation*]

Mr. Lamontagne: Mr. Chairman, I think the hon. member has forgotten the famous statement made by representatives of the previous government: "Heads will roll".

That is the only thing I wanted to remind the hon. member tonight. In doing so, I had no intention of referring to the C.B.C., since I have defended the corporation.

The Canadian Broadcasting Corporation has stated on several occasions that it has taken a free decision concerning the film.

[*Text*]

Mr. Horner (Acadia): Well, it is nice to be able to recall prime ministers of other days, present or past—how far past, no one really knows. It is nice to be able to say: He said this once upon a time. I would not be surprised if somebody sat in the seat from which I am speaking and said what I am saying now.

Mr. Lamontagne: Read the record.

Mr. Horner (Acadia): Now they say "Read the record". That is a way of getting out of a statement which the minister made. Now he is trying to backtrack. He said "Heads will roll" and I accept this.

Mr. Moreau: Speaking of famous sayings in the west, I wonder if the hon. member recalls the saying "Bennett buggies"?

Mr. Horner (Acadia): Oh, it is nice to hear from backbenchers who do most of their speaking in other places. It is nice to hear from fellows who should wield great influence in other places. One cannot really blame them for trying to wield some influence in this place once in a while.

An hon. Member: Louder.

Mr. Woolliams: Blow on your earphone.

Mr. Horner (Acadia): We have heard some of their recent contributions to this debate. They are great. They are coming from the gutless wonders on the back benches, but there have been none by the ministers who saw this film and were responsible for interfering with the C.B.C.—those who said: Don't show it; we have decided we want to create the right image for the Canadian people; we do not want to see Mr. Coutt's face too often—he might be tempted to enter the political arena. I may say I do not know

exactly why they should take exception to seeing him, he is a nice young fellow.

Mr. Sharp who, no doubt, was very sharp the night he saw the film—

Some hon. Members: Oh, oh.

The Chairman: Order. The hon. member knows he should refer to members by their constituencies, not by their names.

Mr. Horner (Acadia): Well, the Minister of Trade and Commerce no doubt was quite sharp the night he saw the film and took part in this private discussion among those cabinet ministers who left Mr. Ballentine and the Minister of Labour out of the office in which they held their caucus, one might say, in the inner sanctum to see whether or not the film would create the right image. This is what I gather took place. There is no question about it, the hon. member for Eglinton was at his sharpest that night and did a lot of clipping.

I think that we have had in this parliament a cabinet which has gone from one blunder to another, as the hon. member for Port Arthur said—a cabinet which has thought it could override all these blunders. It is interesting to find the member for Port Arthur accusing the cabinet of being so blunderous because he is, after all, a journalist, and journalists as a rule have been extremely kind with regard to all the blunders committed by this government and to the weakness of so many of the cabinet ministers. I do not know what they are saying, or will say, about this particular debate tonight, but there is no question about this: As far back in the history of parliament as I can go there has never been an occasion on which a government has been so forthrightly accused of lying, dishonesty and putting out half truths. Never before has a government so accused failed so completely to defend itself as has been the case this evening. Hon. gentlemen opposite have failed to rise, and one can only take this as an admission of guilt. Their silence means there is no defence to the charges which have been made. This is the only interpretation I can take from it.

I had no intention of entering the debate, but on noting their silence I accepted that they were guilty, that they had betrayed the house and the people of Canada by interfering with Canada's national broadcasting network. This is a charge against which a defence certainly should be mustered. They have failed to offer any defence. I opened my remarks by saying that this was a shameful action on the part of the cabinet and even shameful on the part of the backbenchers, who at other times so stoutly defend the Prime Minister and leader of their party. I can only accept that they are guilty and ashamed of it.

Mr. Pennell: Mr. Chairman, may I intervene in this debate for a short while to deal with a subject which I think is a wider issue and a much higher cause than the question of some film.

An hon. Member: A red herring.

Mr. Pennell: It seems to me that one of the most important and significant announcements made in the house for some time was made by the Prime Minister on April 30 when he announced that there was going to be established a scientific secretariat to assemble and analyse information about the government's scientific programs and their interrelations with other scientific activities throughout the country.

Mr. Nielsen: How did they talk you into that?

Mr. Pennell: It is an incontrovertible fact that the progress of this nation will be no swifter than her progress in scientific endeavours. The battle for supremacy in world markets is going to be fought and will be either won or lost in the scientific laboratories and institutes of this nation, both in universities and in private industry.

The Chairman: Order. May we have order in the committee, please.

Mr. Pennell: It has become abundantly clear that we are facing two very urgent problems, the necessity for more industrial research and an increase in the numbers of scientists, technicians and technologists. It is a sad commentary, Mr. Chairman, that it is much easier to find a politician than it is to find a first class technician.

Mr. Nielsen: There are lots of film makers.

Mr. Pennell: The question of what we sometimes refer to as the brain exodus is becoming increasingly important. The problem in this regard is, of course, twofold. We must have more scientific research laboratories if we are to keep the finest brains of the nation in this country. Twenty five per cent of all the scientists emigrating to the United States are coming from this country and this can rightly be termed a brain giveaway, for our finest brains, the greatest re-

source of this country, trained at tremendous expense to the Canadian taxpayer, are now being given away to the United States.

May I also say I do not wish to get into the field of education in its entirety because as we all know it is a matter of provincial jurisdiction. But it seems to me that if we are going to deal adequately with this problem we will have to wipe out any previous intellectual bias we have had toward graduates of technical institutes and schools of technology because, after all, our scientific research and development will be useless unless we have the technicians to carry out the application of these activities in our industries.

So far as I have been able to determine, the total amount of money spent for scientific activities in 1963 approximated $510 million, and the reason I have had great difficulty in determining the precise figure is that this nation has not paid sufficient attention to this very critical and crucial problem. It might seem that $510 million was not an unreasonable sum, but let me measure this figure in other terms. In the United States they are today spending 3.1 per cent of their gross national product for scientific activities. In the United Kingdom they are spending 2.8 per cent while in Canada the figure is scarcely more than 1 per cent. If I may express it in other words, in Great Britain they are spending $36.50 per person on research and scientific activities while in Canada we lag behind at approximately $27.50 per person. So the problem and the challenge are clearly before us.

Mr. Orlikow: What is the government doing about it?

Mr. Pennell: The hon. member for Winnipeg North asks what we are doing about it. We at least have taken the initiative and the Prime Minister made the first really concrete suggestion when he set up the scientific secretariat on the 30th of April this year.

Mr. Orlikow: Is the hon. member aware of the fact that the committee appointed by the national research council to look into this precise question has recommended that the grants by the research council for research in universities, which this year amounted to $9 million, should be increased next year to $19 million? I wonder whether the hon. member can tell us what the government proposes to do about that and how the scientific secretariat will add even $1 to scientific research in the next year?

[Mr. Pennell.]

Mr. Pennell: Mr. Chairman, may I say I appreciate the very important question posed to me by the hon. member for Winnipeg North. I also want to commend him for the interest he has shown in this subject because I have followed very closely the questions he has placed on the order paper. So I think we have a common interest in this matter. As I say, the secretariat is the first definite approach. Let me point this out to the house and to the hon. member for Winnipeg North who has been here for a number of years. In my research I found that the dominion bureau of statistics had not been able to compile any figures beyond 1961 as to the amount of money being spent on industrial research in this country. That in itself is an indictment of the interest that was being shown in this country prior to the present administration.

I feel that our deficit in international payments alone ought to have provided the incentive to spur us on in this very critical area. This is a problem of long standing, of course, and I do not attempt to allocate it to any particular administration; but as the house well knows we have been running a deficit of close to a billion dollars a year for the past ten years and, as I say, that in itself ought to be an incentive.

We hear members of the house talk about putting on export drives as if it were simply a matter of stepping up mass production, but it is now abundantly clear that we are not going to break into foreign markets unless we have new ideas, new techniques, new inventions, all of which, Mr. Chairman, are the end results of scientific research and development.

As I have said, the most recent figures I have been able to compile go back to 1961 and they show that at that time there was a total of $146½ million being spent on industrial research in this country. I realize that in what we call a free economy there is a distinct role both for government and industry, and in the past industry has had to carry the major portion of this responsibility. But it seems to me that the government must assume a greater responsibility in this all-important area.

May I say that there are approximately 37,000 manufacturing plants in Canada and of that number over 31,000 have 50 employees or less. So it is obvious that factories with 50 employees or less cannot undertake the tremendous load of carrying on scientific research, and it may be necessary to set up

a system of co-operative pooling between various industries in order to have proper industrial research developed. I know there has been considerable comment on and criticism of United States ownership of Canadian industry. This is not the time nor the occasion for me to attempt to discuss the inherent weaknesses and dangers of this system. But I do say, Mr. Chairman, that many of the Canadian subsidiaries have been able to maintain a reasonably adequate position in this matter of providing scientific ideas and techniques because we have had the benefit of the outlay of millions of dollars by their United States principals.

In concluding my few remarks, Mr. Chairman, I desire to commend the Prime Minister for setting up the scientific secretariat and I would urge that this house give full attention to this very vital problem.

Mr. Woolliams: Mr. Chairman, I did not intend to make two speeches today but I was attacked by the hon. member for Verdun. In opening my remarks I might say that since the hon. member for Verdun has been in the House of Commons we have become very close friends. I want to assure him, through you, Mr. Chairman, that we are going to remain friends, too, even in the heat of debate. I want to preface my remarks by saying that during the time he was at the United Nations serving his country I paired with him. When I was away sick, he paired with me, and on other occasions when I have not been sick he has paired with me. I just want to assure him, through you Mr. Chairman, that we will remain friends. As Mr. Truman said, if you cannot stand the heat, get out of the kitchen. I want to assure him that what he said during this debate did not in any way erode our friendship.

However, I do want to say that I feel sorry for him that he should, as a backbencher of the Liberal party that many Canadians used to know, be used as a tool of the frontbenchers to come in here and answer for the Prime Minister who will not answer for himself. His henchmen on the treasury benches could be known tonight, and I will coin a phrase, as the silent men.

Mr. Mackasey: I rise on a point of privilege.

The Chairman: Order; the hon. member for Verdun is rising on a point of privilege.

Mr. Mackasey: If I might digress for a moment, I want to thank the hon. member for his friendly remarks. I also have to voice my disapproval of his terminology. What the frontbenchers do in the Liberal party is the business of the frontbenchers. We are not relegated to the backbenches. If I spoke out tonight—

The Chairman: Order; if the hon. member has a question of privilege, perhaps he might state it.

Mr. Mackasey: I object to the word "tool" being used in this sense. I entered this debate and I can assure the hon. member for Bow River it was a spontaneous gesture motivated by my sincere appreciation of and affection for the right hon. Prime Minister who I am sure, as well as anybody in this house, can protect himself when he has the opportunity of knowing beforehand what he can expect and the type of attack that is going to be made upon him.

Mr. Woolliams: I do not know whether or not that was a question of privilege. I am certainly not going to get into an argument with the hon. member for Verdun. He objected to the word "tool". It seemed to me—I could be wrong and I have not had a chance to discuss it with him nor have I heard any rumours on this side of the house in that regard—that by the silence of the members of the treasury benches, he at least appeared to be their instrument. More than that, I cannot say.

I would say this to the hon. member for Verdun, when he suggests that I did not give notice to the Prime Minister that I was going to attack him in these remarks. The fact is that yesterday on orders of the day, when the house is generally filled, I rose on a point of privilege and referred to certain pages in *Hansard*. I showed the Prime Minister's statements with regard to this film. It is not a question of a $35,000 film we are considering tonight. This has not engendered the heat of debate. The opposition has an important function, the same as the government. Our job is to find out the facts for the people of Canada. The experienced members of the cabinet, when they were on this side of the house, questioned the former government, and properly so. This is the function of the government and the function of the opposition.

Then I come back to the point. When I rose on a question of privilege I stated, and I stated fairly I believe if you read my remarks, that there should be respect not only for the position of the prime minister of Canada, but respect for the man himself. The Prime Minister was there; he faced me. I saw, as the members of the press saw, the people on this side saw, and his colleagues saw, a man

whose face was as red as a beet. I saw him embarrassed. None of us saw him rise in his place, Mr. Chairman, to answer the charge that he had misinformed the house. These are the charges that have been levelled against the Prime Minister. There is nothing personal about it. We see in the record of the debates of the House of Commons his answer: I have not seen that film. Then, on another day he said: I have seen that film. The question was clear and the answer was very clear. We have one in the negative and one in the affirmative.

When the Prime Minister was faced with this situation, he only had to get up and say, I made a mistake, we are all human. The only people who seem to be superhuman around here are the Liberals. He made a mistake. If that is his explanation, I say this, and this is the point I want to make now—I want to make it quickly before time expires—that by his silence he convicted himself. These tactics tonight—

Mr. Martin (Essex East): Mr. Chairman, I rise on a point of order. I have listened to the hon. member, and because the Prime Minister is preoccupied with very important matters concerning the interests of this country, and at this moment is not in the house, the hon. gentleman is not warranted in making statements which are clearly contrary to the rules. The hon. gentleman has said, in effect, that the Prime Minister has not stated the facts in this situation. There is another series of phrases that could be used to describe the language of the hon. gentleman, but the hon. gentleman cannot under the rules of this house be allowed to go unchallenged when he suggests that the Prime Minister has misinformed this house, because the effect of that is to say that the Prime Minister has not told the truth.

An hon. Member: Right.

Mr. Martin (Essex East): The hon. gentleman may continue his arguments, but under the rules of this house, that is an unparliamentary statement and the hon. gentleman ought to be asked to withdraw it. What the hon. gentleman has done has been to take a particular film and say that the Prime Minister said, with regard to that, that he had not seen it. The Prime Minister, quite frankly, told this house that he had seen the film and he did not like it.

Now, when you relate those two statements with what the hon. gentleman has said, it is clear there is no basis whatever for the allegation. However, that is not the point of order. The point of order is, whether or not that is true, the Prime Minister never misinformed this house. He stated that he had not misinformed this house. Under the rules of our house, the hon. gentleman must accept that. To go on with this language and this form of argument is to prostitute the rules of this house. I would ask you to ask the hon. gentleman to withdraw an indictment he has made against a man who, whatever one may say about him, can never be said to be guilty of deliberately stating something that is not in accord with the facts. I ask the hon. member to consider seriously what he has said. He has charged the Prime Minister of this country, the head of the government of this country, with something that he has no right to charge, and I ask the hon. gentleman to withdraw that statement, to make his argument if he will—because this is a free parliament—but not to indulge in rules that are contrary to our procedures.

[Mr. Woolliams.]

Mr. Nielsen: On the point of order raised by the Secretary of State for External Affairs, the Secretary of State was sitting here throughout all of the speech I made. I quoted from page 3429 of *Hansard* and page 3430 of *Hansard,* where the Prime Minister categorically said those on that side of the house do not censor. I quote his words again:

> We do not censor films on this side of the house.

Mr. Martin (Essex East): Mr. Chairman, on a point of order—

Mr. Nielsen: According to the rules—

Mr. Martin (Essex East): Mr. Chairman, I have raised a point—

The Chairman: Order. My understanding is that the hon. member for Yukon is speaking on the point of order which has been raised by the minister.

Mr. Martin (Essex East): With the greatest respect, I have raised a point of order—

Some hon. Members: Oh, oh.

The Chairman: Order please. May we have some order. Order, please. May I suggest that if the hon. member for Yukon or other hon. members want to speak on the point of order they should limit or confine their remarks to the point of order which has actually been raised by the minister.

Mr. Nielsen: The Secretary of State for External Affairs has had his say on the point of order, and I am endeavouring to do that right now, and if he would just—

Mr. Martin (Essex East): Mr. Chairman, I rise on a point of order. My point of order is—

Mr. Nielsen: There cannot be a point of order within a point of order.

Mr. Martin (Essex East): My point of order has to do—

Mr. Nielsen: I am on a point of order—

The Chairman: Order, please. I am just wondering whether the Chair could not be given an opportunity to hear the point which the hon. member for Yukon wishes to make. I am not saying whether he is on the point of order or not, but I have not had the opportunity to hear what he has to say.

Mr. Nielsen: The point of order I am speaking to was raised by the Secretary of State for External Affairs, and if he would contain himself in patience he would hear—

Mr. Martin (Essex East): On a point of order—

Mr. Nielsen: I am on the point of order.

Mr. Martin (Essex East): May I state my point of order. I was complaining—

The Chairman: Order please. I recognize or I suspect what the minister has in mind, and I understand his suggestion is that the hon. member for Yukon is now reverting to a previous proceeding.

Mr. Martin (Essex East): That is right.

The Chairman: But, as I said, I have not really had an opportunity to hear what the point is.

Mr. Diefenbaker: The minister should be quiet.

Mr. Nielsen: If the minister will stop his attempts at closure I will complete my point of order. I said, sir, concerning those words I quoted, that they were lies and I maintain they were lies—

Mr. Martin (Essex East): On a point of order.

Mr. Nielsen: —and I was not interrupted at that time on a point of order, and there was no point of order to the words uttered by the hon. member for Bow River—

Mr. Martin (Essex East): I rise—

Mr. Nielsen: We have a smokescreen raised—

Mr. Martin (Essex East): On a point of order—

The Chairman: As the hon. member for Yukon, I understand, has spoken to the point of order, the minister is rising on another point of order.

Mr. Martin (Essex East): My point of order is—

Mr. Nielsen: I am still on the point of order—

Mr. Martin (Essex East): I was referring—

The Chairman: Order. Would hon. members kindly co-operate with the Chair. I appreciate that much heat has been generated in the course of the evening about this debate, and perhaps at this point I might read to hon. members the relevant citations in Beauchesne. I believe it is the duty of the Chair to bring the relevant citations to the attention of hon. members, but without going into the details I would refer hon. members to citations 140 and 141 of Beauchesne's, which might take a little time to read. I will not read them at this moment, but if hon. members are familiar with the substance of these two citations I feel they should bear them in mind in the course of this debate.

Mr. Nielsen: I was going to conclude very quickly—

Mr. Martin (Essex East): On a point of order—

Mr. Nielsen: —on the point of order raised by the Secretary of State for External Affairs—

Mr. Martin (Essex East): I rise—

Mr. Nielsen: On the point of order—

The Chairman: Order please. I do feel that the hon. member for Yukon, whether he is right or not in the position he is taking now, should be given an opportunity to complete his remarks, to complete the point he is making.

Mr. Nielsen: I was simply going—

The Chairman: Provided, of course, he limits himself to the point of order which has been raised by the minister, which refers to statements made by the hon. member for Bow River, and not statements made by the hon. member for Yukon.

Mr. Nielsen: I was simply going to conclude —and I could have done so five minutes ago if not for the intervention of the Secretary of State for External Affairs—by saying that this is a typical breach of the rules of the house by the typical deviousness of the minister himself who rises on spurious points of order.

Mr. Martin (Essex East): The hon. gentleman has not, of course, addressed himself to the point of order. I ask you, sir, to ask the hon.

gentleman who spoke just before the hon. member for Yukon to withdraw what he said about the statement made by the Prime Minister, and the hon. member for Yukon a moment ago has violated our rules when he referred to statements made by the Prime Minister as lies. That is contrary to the rules of the house—

Mr. Nielsen: I backed them up.

Mr. Martin (Essex East): —and I would ask you, in accordance with the rules, to ask both hon. gentlemen to withdraw imputations which they have made against the Prime Minister of this country. The rules you have referred to in Beauchesne are clear. No hon. gentleman has the right, under our rules, to refer to anything said by an hon. member of this house using the language of condemnation which has just been used by the hon. member for Yukon and the hon. member who preceded him.

This is contrary to the rules of the house, particularly when addressed to the head of the government of this country. Hon. gentlemen should know that that rule should be observed with great strictness and I ask you, Mr. Chairman, to call this to the attention of hon. members.

Mr. Woolliams: I wonder if I might finish my remarks.

The Chairman: Well, of course, there is a point of order which has been raised by the minister and I suppose we should have some views expressed by the Chair in that connection, unless what the hon. member has to say is by way of explanation of the suggestion made by the minister that he has used unparliamentary language. If this is his intention certainly I think the committee would like to hear him.

Mr. Churchill: Mr. Chairman, the Secretary of State for External Affairs would have to state specifically the unparliamentary expressions that he says were used. He has not done that. He has discussed this in general terms, as he has always done, without coming to the point, and we have absolutely nothing in front of us on the point of order he raised.

Mr. Pugh: On a point of order—

The Chairman: Order. Before we adjourn —and it is practically ten o'clock—with the indulgence of hon. members I would like to read into the record the citations which I have just referred to a moment ago, citations

[Mr. Martin (Essex East).]

140 and 141, and I may say I do not intend to make a decision now. Citation 140 reads:

(1) The rule relating to personal reflections occurring in debate, may be stated thus, namely: that it is doubly disorderly for any member, in speaking, to digress from the question before the house, and to attack any other member, by means of opprobrious language, applied to his person and character, or to his conduct, either in general, or on some particular occasion, and tending to bring him into ridicule, contempt, or hatred, with his fellow members, or to create ill blood in the house.

(2) The whole law of parliament on this subject is admirably summed up and expressed in the following standing order of the Lords: "To prevent misunderstanding, and for avoiding offensive speeches, when matters are debating, either in the house, or at committees, it is for honour's sake thought fit, and so ordered, that all personal, sharp, or taxing speeches be forborne; and whoever answereth another man's speech shall apply his answer to the matter without wrong to the person; and as nothing offensive is to be spoken, so nothing is to be ill taken, if the party that speaks it shall presently make a fair exposition, or clear denial, of the words that might bear any ill construction; and if any offence be given in that kind, as the house itself will be very sensible thereof, so it will sharply censure the offender, and give the party offended a fit reparation, and full satisfaction."

There is also citation 141 (1), but I think the committee has been indulgent enough to allow me to read citation 140, and perhaps at their leisure hon. members might read citation 141 also. Perhaps in the light of these words we might be in a position to make some progress tomorrow.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, may I ask the house leader about the business for tomorrow. I judge it will be interim supply, but is there something that will come ahead of that?

Mr. Favreau: Mr. Speaker, I understand that there will be agreement at the beginning of the sitting tomorrow to dispose of item 55 by consent, and to refer the matter recited therein to the standing committee on agriculture and colonization. Then we will continue with the debate on interim supply. When the debate on interim supply is completed, we will continue the debate on the flag resolution.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

TRADE—UNITED STATES CONSIDERATION OF COUNTERVAILING DUTIES ON AUTOMOBILES AND PARTS

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, on the orders of the day today I addressed a question to the Minister of Trade and Commerce and asked whether he or his department had been informed that the treasury department in Washington were considering whether a countervailing duty should be imposed on Canadian cars and parts entering that country. The ruling this afternoon was that I should place this question on the order paper. I quite understand the ruling in this instance because in my question there was no consideration, and could not be any consideration, of the urgency of this matter. But there is indeed urgency because of the fact that during the months of April, May and June many of the large suppliers of automotive parts to the manufacturers of automobiles in the United States tender for the business of these large automobile companies. It was with this in mind, Mr. Speaker, that I asked my question, because any imposition of duty would seriously affect and impair the tender price of our suppliers.

In order to provide a little background on this matter I should like to point out that when the previous government were in office they, by order in council, put into effect a measure that very much affected the automoble industry in Canada. I refer to the fact that they allowed the importation of certain automobile parts, namely automatic transmissions and stripped engines, into this country duty free. Then it was provided that one dollar of exported Canadian content was to earn the remission of duties on one dollar of dutiable imports.

At that time there was no serious objection from any firm or government official in the United States. This provision was changed last year by the present government and the Minister of Industry (Mr. Drury) as is reported at page 3999 of *Hansard* for October 25, 1963, said there had been a change in this policy with regard to imports from the United States. He stated:

> The new measures provide for the remission of duties paid on importations of vehicles and parts for vehicles for use in the manufacture of motor vehicles in Canada.

This was with regard to the provisions that had previously obtained. Then he stated:

> If full advantage of the plan is taken by industry, it could lead to increased production and exports of between $150 million and $200 million annually—

The automobile industry began to consider seriously whether, with this great change in the act and a great deal more business coming into Canada, the United States government or the automobile manufacturers in the United States would take exception to this policy. As a matter of fact, on April 2 of this year, as reported at page 1700 of *Hansard*, the following question was asked of the Minister of Industry:

> Following a report to the effect that the United States are planning to use reprisals in protest against the Canadian government decision to give assistance to the automotive industry, can the minister tell us what stage has been reached in the implementation of the formula he has devised to promote the automotive industry development in Canada?

To this the minister replied:

> Mr. Speaker, it is needless to say that I cannot go into details at this stage. However, I can say that results to date indicate great success. However, I do not think that the time is right to give a complete report.

The industry in this country began to feel the adverse effects of this almost immediately, for last autumn it became quite obvious to the suppliers in this country that there was a change in attitude on the part of the United States government. As a matter of fact, their tariffs of 1930 were revised, and in nearly every instance car parts going into the United States were subject to an increased tariff rate. I have one specific instance of Canadian Filters Limited who supplied fans for piston-type engines. The rate increased from 8½ per cent to 14 per cent, which was indeed a 5½ per cent increase in the rate, and in effect influenced quite a little the tendering of these companies for contracts in the United States. There were other instances where it became quite apparent that if this was not retaliation it was something very much like it. These companies, and a lot of them are located in my riding, supply a tremendous number of parts to automobile builders in the United States. This question concerns hundreds of thousands of items and brings in hundreds of thousands of dollars worth of business. These people are seriously concerned at this time.

I should like to refer to an article in the *Western Producer* for Thursday, June 18, which has caused undue alarm. It says, in part:

> Senator Stuart Symington, Democrat of Missouri, said the Canadian plan went into effect last November 1 and "already has succeeded in taking thousands of jobs from this country".

This senator said he was alarmed because it was his information that Canada's tariff system is luring United States auto parts factories to Canada, and that we were planning to extend this program to the aviation and chemical industry. The paragraph which alarmed me most was this:

> In Washington, the treasury department gave formal notice that it is considering whether a countervailing duty should be imposed on imports of Canadian cars and parts.

I wish to state that the officials of the Department of Trade and Commerce and the Department of Industry are aware of the problem and have indicated that they are working to find a solution. What we want to know is what progress has been made, what is the policy of the government, and what can be done in this respect?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, as hon. members are aware, the automotive program introduced on November 1, 1963 was designed to bring about a rationalization, to some extent, of the automobile and parts industries and to encourage efficient production. These measures provide for the conditional removal of import duties on automobiles and parts and do not involve a grant or bounty.

It is public knowledge that at least six months ago and probably longer the United States treasury department received a petition from the Modine Manufacturing Company of the United States in respect of radiators shipped from Canada to the United States. Under the terms of section 303 of the United States tariff act the U.S. treasury has referred this for investigation, as they must do, to the bureau of customs.

The Canadian government has made representations to the United States in connection with this whole matter and has pointed out that we attach the greatest possible importance to this policy, which is designed not only to provide jobs all through this country in our manufacturing industries, and is doing it, but is designed to increase our exports to the United States and in this way reduce our balance of payments. I think I can say we expect great things from this policy and I can assure the hon. member that we have been bringing and will continue to bring the strongest pressure on our American friends to make sure it is not interfered with. In this connection we have had conversations with the United States government both in Washington and here, and last week end I also had the opportunity of a discussion with Secretary Dillon in Paris. This matter is being pressed by the government most energetically and I can assure the hon. member that we consider, as he does, that it is a very urgent matter and one which is most important for the future of this country.

INDIAN AFFAIRS—FORT WILLIAM, ONT.—REPORTED SEGREGATION OF STUDENTS

Mr. David Orlikow (Winnipeg North): This afternoon I directed a question to the Minister of Citizenship and Immigration having to do with news items which appeared in the press a week or more ago to the effect that, in a school in Fort William, Indian students were being segregated from the rest of the students.

People all across Canada and members of all parties have been and are concerned about the plight of the Indian population of Canada and the steps taken to improve their condition. One of the most important of these steps in the long run was the decision of the department that whenever possible Indian children attending school should have the opportunity to attend the regular school attended by students drawn from the population as a whole. It was therefore disturbing to read reports of a conference held in Kenora, Ontario, a couple of weeks ago sponsored by the Indian-Eskimo association and attended by representatives of government and various agencies interested in the problems and rights of the Indians at which it was alleged that Indians from a reserve attending one school in Fort William were segregated. There was subsequent report that there is no segregation of the students in classes. Then it was suggested there was some segregation in the play facilities. Later it was explained that there was segregation in the lunch room.

I will be the first to recognize the fact that there may be difficulties. If, for example, certain students are slow learners, then whether they be Indians or anybody else, if the education authorities think that they can best be educated in special classes, then I for one would have no objection. Similarly I would have no objection to people who were physically handicapped, for instance, having their own play facilities. But I think it would be completely wrong if Indian students attending a school in Fort William or anywhere else had to eat their lunches completely separated from the other students. If it is suggested, for example, that the students are rowdy or difficult, maybe that is a legitimate reason for some kind of separation, but let it include all students who are rowdy

or difficult to handle. I would hope that the department would not countenance segregation in total or in part.

That is all I wanted to inquire about this afternoon, Mr. Speaker, and I hope that the minister's representative will be able to assure me and the house that the department does not and will not countenance any type of segregation against any minority group, whether it be Indians or anybody else.

Mr. Hubert Badanai (Parliamentary Secretary to Minister of Citizenship and Immigration): Mr. Speaker, the officials of the Indian affairs branch, on seeing the newspaper articles referred to by the hon. member for Winnipeg North (Mr. Orlikow), got in touch with the school authorities in question and have received assurances from them that there is no segregation. I want to assure the hon. member that the Department of Citizenship and Immigration, which has jurisdiction over Indian affairs, is in full agreement with total integration and we certainly do not countenance segregation at any time.

The allegation made at a meeting in Kenora, Ontario, referred to by the hon. member, was to the effect that Indians were taught in the same building as white children but ate in separate rooms and were not integrated on the playground. I understand that a meeting called by the separate school board of Fort William, will be held for the purpose of investigating these allegations. As soon as we receive information as to the result of the meeting I will communicate the information to the hon. member.

Again I want to assure him and all other hon. members that there is no intention on the part of the Indian affairs branch to countenance anything having to do with segregation. We believe in integration, particularly of the children in our public schools.

Motion agreed to and the house adjourned at 10.20 p.m.

HOUSE OF COMMONS

Wednesday, June 24, 1964

The house met at 2.30 p.m.

HOUSE OF COMMONS

ST. JOHN THE BAPTIST DAY, QUEBEC—DISCOVERY DAY, NEWFOUNDLAND

[*Translation*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it gives me great pleasure to take this opportunity to extend our best wishes to our French speaking friends at this time when they are all celebrating together their national holiday, the feast of St. John the Baptist.

This year, I know, their national holiday has been extended to exceptional proportions. The people of French Canada are celebrating their origins and asserting their identity during a whole week. This is all to their credit. It is proof positive of their dynamic strength, their vitality and their attachment to traditions.

[*Text*]

In my opinion, Mr. Speaker, this attachment to tradition is an important element in a country that wishes to progress, but with ease and stability, toward greatness. In our country an even more indispensable condition is the establishment of a spirit of unity among people of all races and all sections of our country so we can give the world an example of good will and mutual understanding. We think of this good will and understanding, Mr. Speaker, as we congratulate our French speaking colleagues in the house and our French speaking fellow Canadians on this, their special day.

The feast day of St. John the Baptist has an additional meaning in the history of Canada, for it was on this day 466 years ago that the redoubtable explorer John Cabot—or Jean Cabot or Giovanni Caboto, as you will—had the great fortune to discover the land that became the ancient colony and is now the Canadian province of Newfoundland, to which stalwart and courageous people we also pay our tribute of respect today.

[*Translation*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I wish to join with the Prime Minister on this occasion and it gives me great pleasure to extend to all French speaking Canadians my heartfelt congratulations on this their national holiday, the feast of St. John the Baptist.

[*Text*]

Sir, it is very seldom that the Prime Minister and I have the opportunity to reveal in such a striking manner our capacity to express ourselves in the French language. This is an occasion not only for those who are French Canadians but for all of us to pause in solemn recollection of the splendid contribution they have made to Canada. It is an occasion on which we share the memory of that faith that made possible the preservation of this portion of the North American continent under the British crown, and the contribution since which continues to grow and expand. It is well to recall on an occasion such as this that in 1864, none other than Sir George Etienne Cartier, speaking on behalf of those of French origin, said that without confederation the result would be the absorption, progressive and inevitable, of Canada into the American orbit as part of the United States of America. Whether overtly through formal recognition or not, there would have been absorption in fact, economically, socially and culturally but for the confederation that binds us. We on this occasion join with our compatriots of the French race and language and bid for them an equal partnership which is essential to the preservation of the unity of our country.

The Prime Minister mentioned as well the fact that this is Newfoundland Discovery day. This reminded me of the fact that over that long period of time since John Cabot made his discovery the union jack has floated over that country, whether as a colony or as a province. We join on this day in paying our tribute to those from Newfoundland who today, having joined us, are making their contribution to the unity of our country which was the hope of the fathers of confederation and which was not achieved until more than 80 years thereafter.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, this morning I visited the dentist and he told me that he had succeeded in preventing me from speaking for at least 48

hours. I regret to say he has been only partially successful. However, I shall have sufficient difficulty in saying anything in English without trying to mangle the French language at this particular time.

I do want, on behalf of the New Democratic party, to join with those who have spoken in extending our congratulations to our French Canadian colleagues in this house and our French Canadian compatriots across Canada in this celebration of St. John the Baptist day. We rejoice in the pride which they take in their culture and traditions. I am sure that all of us were inspired this week by the words of Cardinal Léger in which he set forth, in moderate terms and with far-seeing vision, the hope that the French people and English people would work out the necessary *modus vivendi* to build here in Canada a great country.

We join with all those who on this day are celebrating the feast day of the French Canadian patron saint. We trust that their pride in their race, their language and their culture will have every reason to continue to grow from year to year.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, it gives me pleasure, on behalf of the members of our group—particularly those from the province of Quebec—and in the name of all my fellow countrymen, to sincerely thank the right hon. Prime Minister (Mr. Pearson), the right hon. Leader of the Opposition (Mr. Diefenbaker) and the hon. member for Burnaby-Coquitlam (Mr. Douglas) for the feelings they expressed toward all French Canadians on this occasion of the feast of St. John the Baptist, patron saint of French Canadians from Quebec and all other provinces in Canada.

All French Canadians, throughout Canada, are celebrating today the feast of their patron saint. Of course, those celebrations are specially prominent in the province of Quebec and this year it was the intent of the organizers of this feast day, all across Quebec, that it be even more imposing through diversified celebrations which got under way last Saturday and will be going on until next Saturday, while reaching their peak this evening. Such an exceptional pageant on this occasion is a mark of a sound vitality within the French-Canadian people who, more than ever, are conscious of the role they must and can play and of the importance of their contribution in the development and the establishment of a Canada strong and united in the diversity of its parts.

The magnitude of today's celebrations in Quebec must in no way be interpreted as a sign of hostility toward anyone or anything.

It is only the evidence of our will to contribute to the making of Canada, my country, our country, a place where it will be good to live together harmoniously.

But, in order to achieve that harmony as soon as possible, we must show on both sides some understanding and moderation.

[*Text*]

Mr. Speaker, now that the Prime Minister and the Leader of the Opposition have spoken a few words in French I would like to attempt to say something in English. I would like to quote from an editorial in today's Montreal *Gazette* to bring to the attention of the house what it said about French Canada and about this particular day:

> The vigour of French Canada today is the vigour of a society seeking a new and progressive identity. And if this vigour sometimes seems to have about it a great hunger, this is not surprising.

It went on to say:

> During the past few years, there have been some, including some of marked talent, who have followed paths of extremism. But the over-all movement of French Canada has been one of positive and purposeful advance. Every French Canadian, and every friend of French Canada, can take pride in what has been done.
>
> This year the spirit of St. John the Baptist day is one of confidence. It is a spirit that is fully justified. For this is the spirit of French Canada today. The paths of progress are open. And French Canadians are following them as never before in their history.

Mr. Speaker, I would like to make these words mine, and I would like to have it that Canada will be strong if Quebec, where one third of all Canadians live, is strong, and that is how sincere Quebeckers wish it. I would also like to extend my sincere congratulations to our fellow Canadians from Newfoundland and say that we share with them this particular day, June 24, as one of the most important days for the people of Quebec and Newfoundland. I also hope that, as the years go round, St. John the Baptist will become the patron saint of all Canadians.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, on behalf of the members of our group, on behalf of all hon. members—and I think that unanimity is not a problem on that matter—as well as on behalf of all French Canadians, we wish to thank the Prime Minister (Mr. Pearson), the leader of the official

opposition (Mr. Diefenbaker) and others who expressed their best wishes to the French Canadians on the occasion of our national holiday.

This year the celebrations are on a larger scale than usual and express our nation's maturity. A sculpture wrought in solid metal, has replaced the sheep to show our solidity, our vitality and our energy.

Mr. Speaker, the French Canadian nation will live on because it has faith in its future. We are confident that we have made to Canada and North America a vast cultural contribution which can only benefit all the citizens of this continent.

Our two great cultures existing side by side in Canada are the patent evidence that we can make of our country a powerful country where the true human values, the cultural values will be put in the foreground, making of Canada a still greater country because it will have as a basis the greatest of all values, culture.

[*Text*]

I should like to take this opportunity to invite all members of this house to the celebration of St. John the Baptist day in Montreal so that each and every one of them may be able to see for themselves what is going on in French Canada today. They will see, amid all the demonstrations and parades tonight, that French Canada is full of life and is ready to contribute to the development of a great and powerful country, Canada.

Mr. Harold E. Winch (Vancouver East): It was not my intention to rise on this occasion, but I cannot ignore the statement made by the hon. member for Lake St. John (Mr. Lessard) when he said he hoped that St. John the Baptist would become the saint of all Canada. May I say to him, sir—

[*Translation*]

Mr. Speaker, pardon me if I cannot speak French.

[*Text*]

—that we honour the provincial day in Quebec and all that it means to French Canadians.

I am sorry the Prime Minister and his friends said "provincial" instead of "national" day. I tie the two together. May the day come in Canada when it is not the day of St. John the Baptist, St. Andrew, St. George, St. Patrick or any other, but all of them together in honesty, integrity, and sincerity, believing in all that it really and truly means.

[*Later:*]

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Prime Minister. In view of the Prime Minister's remarks at the commencement of today's proceedings may I ask the right hon. gentleman whether he is aware that the Cape Breton historical society is today celebrating, complete with bagpipe bands and all that goes with a rousing Cape Breton celebration, the landing of John Cabot on Cape Breton island? Is he also aware that this is an annual event?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I apologize for that serious omission in my statement of which, of course, I was aware.

PROCEDURE

Ninth report of special committee on procedure and organization—Mr. Speaker.

CANADA SHIPPING ACT

AMENDMENTS TO GIVE EFFECT TO INTERNATIONAL CONVENTION

Hon. G. J. McIlraith (for the Minister of Transport) moved the first reading of Bill No. S-7 (from the Senate), to amend the Canada Shipping Act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CONSTRUCTION OF WOMEN'S PRISON, CORNWALL, ONTARIO

Question No. 709—**Mr. Martineau:**

Has the Minister of Justice or his department received representations on the proposed construction of a penal institution for women at Cornwall, Ontario and, if so (a) by what person or association were these representations made (b) what type of representations were made in each case?

Mr. Macdonald: (a) The following persons or associations made representations on the proposed construction of a penal institution for women at Cornwall, Ontario:

The Elizabeth Fry Society of Kingston; The Elizabeth Fry Society of Ontario; The Elizabeth Fry Society of Toronto; The Elizabeth Fry Society of Thunder Bay; The John Howard Society of Canada; The John Howard Society of Alberta; The John Howard Society of Cornwall; The John Howard Society

of Ontario; The John Howard Society of New Brunswick; The John Howard Society of Kingston; The John Howard Society of Thunder Bay; The Canadian Corrections Association; The National Council of Women of Canada; The Junior League of Toronto; The Salvation Army; The Fairlawn United Church Women of Toronto; The United Church Women of Toronto; The Ashbury and West United Church of Toronto; The University Women's Club of Don Mills, Ont.; The University Women's Club of Kingston; The Rotary Club of Cornwall; The Board of Trade of Cornwall; The Civil Service Association of Canada; The Canadian Association of Social Workers of Kingston; The Local Council of Women of Kingston; The Big Sister Counselling Service of Toronto; The University Women's Club of North York; The Canadian Federation of University Women; The United Congregation of South Peel, Port Credit, Ont.

(supported by 86 persons)

Mrs. K. Healey, Mrs. A. N. Burgess, Mrs. V. A. Cartwright, Mrs. G. F. Glendenning, Miss M. Hogg, Mrs. J. Dineen, Mrs. V. Helston, Mrs. W. Hall, Mrs. H. R. Ellis, Mrs. D. Mackaie, Mrs. E. Brock Rideaut, Miss B. C. Renoir, Mrs. W. Kirkpatrick, Mrs. A. L. Clark, Mrs. E. Mathews, Mrs. C. Ronson, Mrs. M. Renwick, Mrs. D. Godfrey, Mrs. B. Harris, Mr. L. H. Ritchie, Mrs. M. R. Bain, Mrs. M. Robinson, Mrs. G. Carruthers, Mrs. C. C. Gildens, Mrs. J. Hodgson, Mrs. J. Ross, Mrs. M. Thomas, Miss E. Hamilton, Mrs. R. W. Nicholls, Mrs. E. Snow, Mr. and Mrs. J. A. Fraudsen, Rev. A. Thaw, Mr. and Mrs. A. Hapos, Miss R. M. Rutherson, Mr. L. Francis, M.P., Mr. R. M. McDermert, Mr. C. Sullivan, Miss B. Hargraft, Mr. F. Mans, Mrs. P. Williams, Mrs. J. N. Conlin, Mrs. R. E. Gibson, Mrs. J. Pugh, Mrs. H. K. Hill, Mrs. J. B. Taylor, Mrs. A. G. Jocelyn, Mrs. C. McVean, Mrs. D. W. Veiger, Mr. and Mrs. S. Mackay, Mrs. F. Blair-Middleton, Mrs. B. A. Herlunson, Mr. D. A. Humphries, Mr. M. J. Moreau, M.P., Mrs. M. Hall, Mrs. M. B. Osborne, Mrs. J. Carruthers, Mrs. J. W. Hardie, Mr. and Mrs. R. MacFeeters, Mrs. E. Gaudreau, Mrs. L. Lockwood, Mrs. T. E. White, Mrs. W. D. Tucker, Mrs. G. M. Hargraft, Mrs. L. C. W. Armstrong, Mr. W. Guthentag, Mrs. J. B. Tinker, Mrs. D. H. Butler, Mrs. J. Rykert, Mrs. J. M. Tracy, Mrs. S. W. Kane, Miss C. Feeter, Mrs. A. F. Lambert, Mr. and Mrs. G. Wakely, Mrs. L. Lapierre, Mrs. O. F. Macklem, Mrs. J. Stride, Mrs. D. C. Watson, Mr. and Mrs. G. Ives, Mrs. F. Bower, Mr. J. Wood, Mrs. M. Little.

[Mr. Macdonald.]

DUMPING OF RAW SEWAGE INTO GREAT LAKES

Question No. 717—**Mr. McMillan:**

In connection with the strong recommendation by the international joint commission to cease dumping raw sewage and other waste products in the great lakes system (a) what program has been decided on in Canada to this end (b) how many American and Canadian communities dump raw sewage, directly or indirectly, into the great lakes system (c) have the American people assumed any time limit on any program to clean up the water in the great lakes system by sewage disposal plants, elimination of detergents and other wastes etc.?

Mr. Martin (Essex East): (a) The I.J.C. program relates only to the connecting channels of the great lakes where surveillance of water quality is actively maintained by the commission's technical advisory board.

In Ontario, jurisdiction over matters relating to water pollution abatement rests with the Ontario water resources commission, which, under its act, has the power to control and regulate the collection, production, treatment, storage, transmission, distribution and use of water for public purposes and to make orders with respect thereto. The commission maintains an energetic and effective program which includes a constant review of those municipalities and industries which are deficient in the provision of waste treatment facilities.

Pollution of Canadian waters by oil from vessels is covered by the oil pollution prevention regulations under the Canada Shipping Act. The question of providing appropriate regulations covering other waste from vessels is presently being studied.

(b) At the present time, ten Canadian communities having a total population of 232,850, discharge untreated or insufficiently treated sewage into the great lakes. Similar information regarding U.S. communities has been requested from the U.S. authorities and will be provided as soon as available.

(c) Information is being requested from the U.S. authorities and will be provided when available.

SUPERIOR COURT JUDGES, NORTHWESTERN QUEBEC

Question No. 944—**Mr. Caouette:**

1. How many justices of the superior court are there in the constituencies of northwestern Quebec, that is, the constituencies of Villeneuve, Chapleau and Pontiac-Témiscamingue?

2. How many cases are pending at the present time before the superior court of this judicial district?

3. Is there a sufficient number of judges of the superior court in this district and, if not, is it proposed to make any further appointments in the near future?

Mr. Macdonald: 1. Two justices of the superior court reside in the constituencies of Villeneuve, Chapleau and Pontiac-Témiscamingue.

2. The administration of justice is a provincial matter. Therefore, the number of cases pending is not known by the Department of Justice.

3. Determination of the need for additional judges is the responsibility of the provincial authorities.

TENDERS FOR MOTOR VEHICLE REPLACEMENT, CUMBERLAND, N.S.

Question No. 954—**Mr. Armstrong:**

1. What firms in Cumberland were invited to tender on the replacement of motor vehicles for the R.C.M.P. detachments at Amherst, Pugwash, Springhill and Parrsboro between March 25, 1962 and March 25, 1963 and what dealerships did these firms represent?
2. What firms were invited to tender during such period by the abovementioned detachments for the overhaul and repair of their motor vehicles?
3. From what firms in Cumberland were these detachments authorized, during such period, to purchase oil and gasoline?
4. Were any firms in Cumberland excluded, during such period, from the opportunity to tender on the replacement of motor vehicles, repair and overhaul of motor vehicles, and on the sales of oil and gasoline, for these detachments and, if so, what firms?

Mr. Favreau: 1. Amherst and Pugwash detachments: Cumberland Equipment Ltd., Amherst, N.S., Pontiac; D. A. Casey Ltd., Amherst, N.S., Ford; Tantramar Motors Ltd., Amherst, N.S., Chevrolet.

Springhill detachment: All bona fide dealers in Springhill representing Chrysler Canada Ltd., Ford Motor Company of Canada Ltd. and General Motors Products of Canada Ltd.

Parrsboro detachment: Sargent's garage, Parrsboro, N.S., Chevrolet; Cameron & Wilson, Parrsboro, N.S., Plymouth; MacIntosh Motors Ltd., Parrsboro, N.S., Ford.

2. Amherst and Pugwash detachments: Cumberland Equipment Ltd., Amherst, N.S.; D. A. Casey Ltd., Amherst, N.S., Tantramar Motors Ltd., Amherst, N.S.

Springhill detachment: All bona fide dealers in Springhill representing Chrysler Canada Ltd., Ford Motor Company of Canada Ltd. and General Motors Products of Canada Ltd.

Parrsboro detachment: Sargent's garage, Parrsboro, N.S.; Cameron & Wilson, Parrsboro, N.S.; MacIntosh Motors Ltd., Parrsboro, N.S.

3. Amherst detachment: D. A. Casey Ltd., Amherst, N.S.; O'Neill's Taxi Ltd., Amherst, N.S.; Wheaton service station, Amherst, N.S.; Weatherbee service station, Amherst, N.S.; Chapman's service station, Amherst, N.S.; Earl Steven's service station, Amherst, N.S.; Tantramar Motors Ltd., Amherst, N.S.

Pugwash detachment: Smith's service station, Pugwash, N.S.; Lester Allen service station, Pugwash, N.S.

Springhill detachment: Carter's garage, Springhill, N.S.; Letcher's garage, Springhill, N.S.

Parrsboro detachment: Sargent's garage, Parrsboro, N.S.; MacIntosh Motors Ltd., Parrsboro, N.S.

4. All other firms in Cumberland county were excluded in the sense that only the firms abovementioned were invited to tender.

SUPERIOR COURT JUDGES, QUEBEC CONSTITUENCIES

Question No. 1,116—**Mr. Latulippe:**

1. How many superior court judges are there in the electoral districts of Compton-Frontenac, Mégantic, Sherbrooke and Beauce?
2. Has the Department of Justice information concerning the number of cases presently pending before the superior court in that judicial district?
3. Is there a sufficient number of superior court judges in that district and will there be further appointments in the near future?

Mr. Macdonald: 1. Four justices of the superior court reside in the electoral districts of Compton-Frontenac, Mégantic, Sherbrooke and Beauce.

2. No.

3. Determination of the need for additional judges is the responsibility of the provincial authorities.

DEEPENING OF GREAT LAKES CHANNELS

Question No. 1,128—**Mr. Aiken:**

1. Since construction of the St. Lawrence seaway began in 1954, what channels in the great lakes system above lake Ontario have been deepened and what are the dates and particulars thereof?
2. Which projects have been undertaken by United States authorities?

Mr. Pickersgill: The St. Lawrence seaway authority advises as follows:

1. The Welland canal was deepened during the period 1955-59 to provide a 27 foot minimum depth throughout, with an extra depth to 29 feet in rock areas.

2. All channel deepening above lake Erie has been done by United States authorities.

Questions

ARDA COMMITTEES, COMPTON-FRONTENAC CONSTITUENCY

Question No. 1,113—**Mr. Latulippe:**

1. Has the Minister of Forestry, who is responsible for ARDA, received representations concerning the formation of ARDA committees formed within parish organizations, UCC groups, or other groups in the constituency of Compton-Frontenac and, if so (a) what groups have made their existence known (b) to what parishes do they belong, and (c) what was the nature of the representations made in each case.

2. Within the departmental organization dealing with ARDA (a) who takes care of relations between the department and those parish committees (b) what are the various services provided to guide them in their work and to co-operate with them (c) are there any information services for this purpose (d) are there any technical services available to such committees?

[*Translation*]

Answer: 1. No.

2. (a) There are no direct relations between the federal government and the parish committees in question. (b) No services are provided. (c) Yes, only general information services are provided. (d) No.

[*Text*]

VETERANS HOSPITALS, QUEBEC

Question No. 1,143—**Mr. Latulippe:**

1. To what veterans hospital are veterans from the constituency of Compton-Frontenac sent in the province of Quebec?

2. During the last two years, how many veterans from Compton-Frontenac were treated in a veterans hospital?

3. How many permanent patients are there in veterans hospitals in Quebec?

4. On the average, during the past three years, how many temporary patients were there in veterans hospitals in Quebec?

5. How much has it cost the federal government to operate veterans hospitals in Quebec in each of the last three years?

Mr. Teillet: 1. (a) To Queen Mary veterans hospital, Montreal, P.Q., if resident in county of Compton. (b) To Ste Foy hospital, Ste Foy, Quebec, P.Q., if resident in county of Frontenac.

2. It would not be possible to provide the answer to this question from our records.

3. As at midnight May 31, 1964, there were 1,098 chronic and domiciliary care patients in D.V.A. hospitals in the province of Quebec.

4. We are unable to provide an average for the past three years, however, as at midnight May 31, 1964, there were 582 patients in D.V.A. hospitals in the province of Quebec who had been in hospital less than 60 days. This represents approximately 34 per cent of the total patient load at that time.

5.

	Gross	Recoveries	Net
Ste Foy			
1961-62	$1,983,379	$ 765,007	$1,218,372
1962-63	2,016,206	813,544	1,202,662
1963-64	2,050,306	714,757	1,335,549
Q.M.V.H.			
1961-62	5,529,697	2,481,209	3,048,488
1962-63	5,659,665	2,586,931	3,072,734
1963-64	5,884,881	2,961,169	2,923,712
Ste. Anne's			
1961-62	5,489,006	872,021	4,616,985
1962-63	5,514,407	916,865	4,597,542
1963-64	5,990,019	721,954	5,268,065

NEW INDUSTRIES IN DESIGNATED AREAS

Question No. 1,191—**Mr. Stenson:**

1. How many new industries have been established in designated areas and have taken advantage of the tax incentive program?

2. How many people are these industries employing?

3. In what province is each industry established?

Mr. Drury: 1. Sixty one new manufacturing and processing businesses have declared their intention to establish in such a manner as to benefit from the designated areas tax incentive program. Of these, the government is aware of eight which are now in commercial production. There may be other new businesses which plan to take advantage of the tax incentive program. The government will not necessarily be aware of these until such times as the new businesses apply for certification by the Minister of Industry, as required under the Income Tax Act.

2. The planned employment reported by the 61 new businesses is 5,225.

3. Any announcement of a particular firm's intentions regarding location is made by the firm itself. The proposed locations of the 61 new businesses, as reported to the government, is broken down by provinces as follows: B.C.-Alta., 2; Ont., 32; Que., 20; N.B., 3; N.S., 4.

COMPENSATION TO CRIME VICTIMS

Question No. 1,205—**Mr. Orlikow:**

Is the government giving consideration to initiating a scheme of compensating crime victims through a system of cash payments to persons who have been injured as a result of criminal attack, as is now being done in countries such as Great Britain?

Mr. Macdonald: The government is following with interest such schemes in the United Kingdom and elsewhere but has no immediate plans for proposing any such legislation in Canada. Any such legislation in Canada might

raise a question of legislative jurisdiction as between parliament and the provincial legislatures.

*HARRY HOOPER—DETENTION AWAITING DEPORTATION

Question No. 1,213—**Mr. Woolliams:**

1. What charges, if any, existed against Hooper during the time he was incarcerated in jail for 90 to 100 days, other than the fact that he was held in custody for refusing to answer certain questions alleged to be in accordance with the regulations and law?

2. How many times during the 90 to 100 days of Hooper's incarceration was he brought before the court for a further remand in accordance with the terms and conditions of the Criminal Code of Canada?

3. During the 90 to 100 days that the said Hooper was incarcerated before being deported, how many times was he questioned by those in authority or by the court as to whether he was willing to answer the questions which it was alleged he refused to so answer?

4. How many people are at the present time incarcerated in Canada under similar conditions that Mr. Hooper was held?

5. How many people were held during the period of 90 to 100 days the said Hooper was held?

Mr. Badanai: 1. Harry Claude Hooper came under the jurisdiction of the Immigration Act on March 16, 1964. Prior to that time his detention was the responsibility of local police. He was detained from March 16 to May 26, 1964, a total of 71 days. He was detained from March 16 to March 23 to enable him to obtain counsel if he so wished at an immigration inquiry. Because he refused to answer any questions, the inquiry was adjourned from March 23 to April 7 to obtain essential documentary evidence that he was deportable and from April 7 to May 26 he was detained pending completion of travel arrangements and deportation. On May 22 he was charged under section 50(e) of the Immigration Act for having refused to answer questions. Section 50(e) of the act reads as follows:

> Every person who refuses to be sworn or to affirm or declare, as the case may be, or to answer a question put to him or does not truthfully answer all questions put to him at an examination or inquiry under this act is guilty of an offence and is liable on summary conviction, for the first offence to a fine not exceeding five hundred dollars and not less than fifty dollars or to imprisonment for a term not exceeding six months and not less than one month or to both fine and imprisonment, and, for the second offence to a fine not exceeding one thousand dollars and not less than one hundred dollars or to imprisonment for a term not exceeding twelve months and not less than three months or to both fine and imprisonment, and, for the third or a subsequent offence to imprisonment for a term not exceeding 18 months and not less than six months.

This charge was withdrawn on May 26 and Hooper was deported May 26.

2. Subsequent to March 16, 1964, Hooper appeared before an immigration inquiry on March 23 and April 7. He was charged in court on May 22. The Criminal Code does not require that immigration detainees be brought before the courts and there is no authority in the Immigration Act for such action. However, all persons held under the Immigration Act may question the legality of the detaining or deportation orders by appealing to the courts.

3. During the 71 days Hooper was held under the Immigration Act an immigration inquiry was held to determine his liability to deportation. The inquiry was opened on March 23, adjourned, and concluded on April 7 with a deportation order. In the course of the inquiry Hooper was asked 17 times to answer questions and he refused to do so.

4. As of May 29, the first previous weekly reporting date, 33 persons were held in custody under the provisions of the Immigration Act.

5. The department's filing and statistical systems do not permit the immediate compilation of the information requested in part 5 of this question. To obtain the information will require a physical review of numerous immigration files. This review is under way and as soon as the information is available it will be forwarded to the hon. member.

CITIZENSHIP OF C.B.C. WASHINGTON COMMENTATOR

Question No. 1,219—**Mr. Gundlock:**

1. Has the Canadian Broadcasting Corporation any information as to the citizenship of Mr. Minifie, C.B.C. commentator in Washington, D.C.?

2. Has Mr. Minifie renounced his Canadian citizenship and, if so, when?

Mr. Lamontagne: I am advised by the Canadian Broadcasting Corporation that they have received the following information from Mr. James M. Minifie, O.B.E. He was born in England, was brought to a Saskatchewan homestead at an early age. While in his teens he fought with the Canadian army in the first war; returned to University of Saskatchewan in March 1919 when demobilized. Won a Rhodes scholarship in 1923 and graduated from Oxford in 1926. Later became correspondent for New York *Herald Tribune* and C.B.C. contributor while in Europe travelling under a British passport, became naturalized U.S. citizen when newspaper transferred him to Washington in 1946, and continued C.B.C.

work first as freelance and later as correspondent under contract, which he is today.

IMMIGRATION FORM 1000

Question No. 1,220—**Mr. Smith:**

1. What is immigration form 1000 and what is its use?
2. Are any Canadian citizens by birth or naturalization required to complete this form on their return to Canada from visits outside Canada and, if so, what category of Canadian citizens are so required?

Mr. Badanai: 1. The form IMM. 1000 is a card prescribed by the Minister of Citizenship and Immigration under the provisions of the Canadian Immigration Act and regulations. The card must be completed by all persons granted the status of landed immigrants in Canada and constitutes the department's official record of such admissions.

2. No.

*SUPERVISION AND MAINTENANCE OF PARLIAMENT BUILDINGS AND GROUNDS

Question No. 1,231—**Mr. Irvine:**

Under what act or regulation or order in council are the centre block, east block, west block and grounds, managed, supervised and maintained?

Mr. McWilliam: The management, charge and direction of the property is vested in the Minister of Public Works pursuant to section 9 of the Public Works Act, chapter 228, R.S.C. 1952. The Government Property Traffic Act, chapter 324, R.S.C. 1952, as amended by chapter 34, S.C. 1960-61 and regulations provide for the control of traffic on the said property.

The National Capital Act, chapter 37, S.C. 1958, provides for the maintenance and improvement of the grounds pursuant to section 10 (2) (d). P.C. 865 dated May 21, 1934 is the authority for the national capital commission to maintain the grounds at parliament hill.

DORVAL AIRPORT, MONTREAL—ACCESS OF TAXIS

Question No. 1,235—**Mr. Pigeon:**

1. Does the government intend to allow taxi cabs of the Montreal area to have access to the Dorval airport, and to withdraw this concession from the Murray Hill Company?
2. What airports in Canada restrict the transportation of passengers to a single agency or company as is done at the Dorval airport?

[*Translation*]

Answer: 1. All taxi cabs of the Montreal area have access to Montreal International Airport (Dorval) to deliver passengers to the airport and to pick up passengers by prearrangement.

[Mr. Lamontagne.]

Murray Hill Limousine Service Limited has entered into an agreement with the department undertaking to maintain a 24 hour service for air line passengers and for this purpose maintains a limousine and taxi station at the airport. It is not intended to cancel this agreement.

2. Arrangements similar to those at Montreal International Airport are in effect at all major airports in Canada and at all or practically all others where there is a local taxi operator willing to guarantee that service will be available whenever required by air line passengers.

[*Text*]

PESTICIDES IN MILK

Question No. 1,238—**Mr. Prittie:**

1. Does the Department of National Health and Welfare make tests with regard to the amount of pesticides which are present in milk?
2. Has the department calculated the danger mark of pesticides in milk?
3. Is the present level of chlorinated hydrocarbon in milk in any area reaching the danger mark to human beings?
4. If the danger mark for pesticides is exceeded in any area, what steps does the department take in this regard and, is the local or provincial government in the area notified?

Miss LaMarsh: 1. Yes.

2. The Department of National Health and Welfare has on file extensive toxicity data on all pesticides which are likely to find their way into milk. From such data it is possible to determine the level of a pesticide which has had no effect on experimental animals when administered over their entire lifetime. From this figure the acceptable daily intake for man can be calculated. It is not possible to give precise values for a danger level in milk unless one knows the probable period of exposure to the pesticide and other factors such as the presence of related pesticides in the milk and other foods.

3. Pharmacologists in the food and drug directorate of the Department of National Health and Welfare do not believe that the levels of pesticides which have been found in milk represent any immediate hazard to health. However such residues are undesirable and could represent a potential health hazard if milk containing these residues were consumed over long periods of time. The food and drug directorate is continuing to examine samples of milk for pesticide residues.

4. The Department of National Health and Welfare would take immediate action to remove from the market any samples of milk which were considered to represent a hazard

to health. The appropriate local and provincial authorities are kept informed on such matters.

DEVELOPMENT OF MARMOT BASIN, ALBERTA

Question No. 1,260—**Mr. Horner (Jasper-Edson):**

1. For what reason was Marmot Basin Ski-Lifts Limited's proposal for the development of the Marmot basin chosen over that of the rival company Marmot Territory Development Company?
2. Who are the directors of each of these firms?
3. What is the estimated revenue accruing to the federal government from each of these tenders?

Mr. Laing: 1. An assessment of the tenders revealed that Marmot Basin Ski-Lifts Ltd., had submitted a more satisfactory proposal with respect to four of the five items under which the tenders were assessed as specified in the call for tenders: financial capability, facilities to be provided in the form of a ski chalet, service to the public and rates to be charged for the use of the lift. The fifth item —schedule of construction and expected date of completion—was identical for both tenders as they indicated that the ski-lift would be operational for the 1964-65 skiing season.

2. The directors of Marmot Territory Development Ltd., are: Dr. Brian Dunsworth, Mr. Toby Rayner, Dr. Robert Van Alstine, Mr. R. Evan Potter, Mr. Howard Bouey, and Mr. John Schlosser. The directors of Marmot Basin Ski-Lifts Ltd., are: Mr. C. R. Kiefer, Mr. J. A. Clarke, Dr. R. D. Wilson, and Mr. D. H. Husel.

3. In each case 5 per cent of gross receipts from the lift operation. While no minimum revenue was guaranteed, each tenderer submitted the following estimates of revenue to the crown:

1965	$1,050	$1,024
1966	1,200	1,126
1967	1,500	1,259
1968	1,800	1,363
1969	1,950	1,500

LIVING EXPENSES PAID JUDGES ON CONCILIATION BOARDS

Question No. 1,266—**Mr. Knowles:**

1. What is the amount allowed per day for living expenses to federally appointed judges serving on conciliation or arbitration boards and is this amount over and above salary and travelling expenses?
2. By what authority are such living expense allowances paid?
3. What is the answer of the government to the criticism of the auditor general that the paying of such allowances is invalid?

Mr. Lamontagne: In so far as the Department of Justice is concerned:

Questions

1. The amounts allowed are not determined at the instance of this department. Section 39 of the Judges Act provides that the amount allowed by the governor in council or a lieutenant governor in council is in addition to judicial salary; no additional travelling allowances are paid under section 21 of the Judges Act.

2 and 3. Section 39 of the Judges Act.

In so far as the Department of Labour is concerned: 1. The usual living allowance is $60 per day to a judge while engaged as a member and chairman of a board of conciliation and investigation. This amount is over and above transportation expenses. A judge receives no salary for such work.

2. By authority of the governor in council in each case, pursuant to section 38(1) and section 39(3) of the Judges Act and section 64(1) of the Industrial Relations and Disputes Investigation Act.

3. The government is of the view that the payment of this living allowance is in compliance with the provisions of the Judges Act.

*HANDING OVER OF WORLD FAIR SITE

Question No. 1,270—**Mr. Marcoux:**

1. On what date will the city of Montreal hand over to the world fair administration the site chosen as the location for the fair and is this the date specified in the act?
2. Will the entire site be turned over on this occasion?
3. Will there be a reception to celebrate the event and, if so, how many guests will be invited to attend and what will be the estimated total cost of the reception?

[*Translation*]

Mr. Pepin: 1. The city of Montreal will officially hand over the exhibition site to the C.C.W.E. on June 30, 1964, in conformity with clause 17 of the tripartite agreement of January 18, 1963 between the government of Canada, the government of the province of Quebec and the city of Montreal.

2. Legally yes, and physically in accordance with the schedule requirements of the C.C.W.E.

3. It is understood that the city of Montreal is arranging a ceremony on that occasion to which, among others, will be invited representatives from the C.C.W.E. and delegates of member countries of the Bureau International des Expositions who will be in Montreal at that time.

Questions of guests and costs are the responsibility of the city of Montreal as host for that ceremony.

Questions

[*Text*]

MOVING OF R.C.M.P. PERSONNEL, PICTOU, N.S.

Question No. 1,274—**Mr. MacEwan:**

What moving and trucking firms are listed for the electoral district of Pictou, Nova Scotia, for the moving of personnel of the Royal Canadian Mounted Police?

Mr. Favreau: Moving and trucking services in that region are obtained from: English's Transfer, 70 Elm street, New Glasgow, Nova Scotia. Cooke's Transfer, New Glasgow, Nova Scotia.

*TENDERS FOR COAL, NATIONAL DEFENCE, LONDON, ONT.

Question No. 1,280—**Mr. Irvine:**

Have tenders been called for the supply of coal to the London armoury, No. 204 Base Workshop, Wolseley Barracks and 27 C.O.D. in London, Ontario and, if so (a) what tenders have been received (b) for what amounts (c) who was the successful tenderer?

Mr. Drury: Mr. Speaker, as this is quite a long answer I have the agreement of the hon. member concerned to treat it as a non-oral question. Therefore, with the consent of the house I ask that the answer to this question be printed in *Hansard*.

Mr. Speaker: Does the house give unanimous consent?

Some hon. Members: Agreed.

[*Editor's note: The answer referred to above is as follows:*]

In so far as the Department of Defence Production is concerned: (a) and (b) tenders received and amounts for the supply of coal from June 1, 1964, to May 31, 1965:

1. London armoury, Dundas st., London, Ontario. 155 tons—coal—bituminous high volatile prepared stoker.

Tenderers	Price per ton	Cost per million adjusted BTU
Imperialle Fuels Co. Ltd. London, Ont.	$10.91	$0.4142
Dalton Fuels Limited, London, Ontario.	$15.26	$0.5371

2. No. 204 base workshop, Highbury ave., London, Ontario. 1,100 tons—coal—bituminous high volatile nut slack.

[Mr. Pepin.]

Tenderers	Price per ton	Cost per million adjusted BTU
Imperialle Fuels Co. Ltd. London, Ont.	$10.60	$0.3996
(Alt)	$10.75	$0.4002
Dalton Fuels Limited, London, Ontario.	$12.35	$0.4643

3. Wolseley barracks, London, Ontario. 5,200 tons—coal—bituminous high volatile nut slack.

Tenderers	Price per ton	Cost per million adjusted BTU
Imperialle Fuels Co. Ltd. London, Ontario:	$10.60	$0.3996
(Alt)	$10.75	$0.3996
Dalton Fuels Limited, London, Ontario.	$12.35	$0.4643

4. 27 Central ordnance depot, Highbury ave., London, Ontario. 4,500 tons—coal—bituminous high volatile nut slack.

Tenderers	Price per ton	Cost per million adjusted BTU
Rochester & Pittsburgh Coal Co. (Canada) Ltd. Toronto, Ontario.	$ 9.48	$0.361
Dominion Coal Company Limited, Rexdale, Ontario.	$10.03	$0.3799
The Valley Camp Coal Company of Canada Ltd. Toronto, Ontario.	$10.46	$0.3968
Empire Hanna Coal Corp. Ltd. Toronto, Ontario.	$10.53	$0.4019
Dalton Fuels Limited, London, Ontario.	$10.80	$0.406

(c) Successful tenderers were as follows:

1. London armoury, Imperialle Fuels Co. Ltd. 2. No. 204 base workshop, Imperialle Fuels Co. Ltd. 3. Wolseley barracks, Imperialle Fuels Co. Ltd. 4. 27 Central ordnance depot, Rochester & Pittsburgh Coal Co. (Canada) Limited.

NUMBER OF BANKRUPTCIES IN 1963

Question No. 1,282—**Mr. Irvine:**

1. What was the total number of declarations of bankruptcy in Canada in each quarter of the year 1963?

2. How many of these declarations were filed by firms connected with the building or building supply industry?

3. How many were filed by firms in the hardware and/or appliance merchandising industry?

Answer: The number of declarations of bankruptcy in Canada under provisions of the Bankruptcy Act for the four quarters of 1963:

	Number of bankruptcies	Construction industry	Hardware and building materials	Furniture and appliances
1st quarter	916	171	41	42
2nd quarter	894	167	40	45
3rd quarter	814	168	29	39
4th quarter	982	200	52	39
Total	3,606	706	162	165

MARITIME UNION "DO NOT SHIP" LIST

Question No. 1,286—**Mr. Orlikow:**

1. When former seamen who have been on the "do not ship" list for more than three years contact the maritime trustees to seek reinstatement, are they referred to Mr. Leonard McLaughlin?

2. In order to be reinstated are such seamen required to pay back dues, assessments, initiation fees, etc? If so, will such back payments total over $500 per person, in some cases?

Mr. MacEachen: 1. No. Any seaman appearing on the "do not ship" list who applies to the board of trustees or to any agency of the S.I.U. of Canada is referred to the maritime appeals board, a body set up to deal with such matters. The policy of the trustees is to seek the reinstatement of any former member of the S.I.U. who can establish that he was placed on the "do not ship" list and who did not leave the union for any other reason.

2. The maritime appeals board has jurisdiction to determine what back dues, assessments, and initiation fees, if any, will be assessed against the member as a condition of his reinstatement. The policy of the board of trustees, which is again reflected in the maritime appeals board, is that no member who has been deprived of his rights as a result of being placed on the "do not ship" list will be required to pay any back dues or assessments.

GOLF CONCESSION, CAPE BRETON NATIONAL PARK

Question No. 1,287—**Mr. Muir (Cape Breton North and Victoria):**

1. Were tenders called for the golf professional concession at the Cape Breton highlands national park for the 1964 season and, if so, (a) what were the names of those who tendered (b) what were the addresses and occupations of each of those who tendered, and (c) what was the amount of each tender?

2. To whom was the concession awarded and for what amount?

Mr. Laing: 1. Tenders were called to obtain the services of an individual to operate the golf course concession at the Cape Breton highlands national park. While the word "professional" was used in the call for tenders, it was also made clear that it was not an essential requirement for the successful tenderer to be capable of giving golfing lessons.

(a) (i) John Clifford Shea; (ii) Christopher Mickey; (iii) J. Roland Donovan; (iv) Lorne Jennex.

(b) (i) Antigonish, N.S., student; (ii) Ingonish, N.S., truck driver; (iii) Ingonish, N.S., labourer; (iv) North Sydney, N.S., labourer.

(c) (i) Tender incomplete; (ii) Tender incomplete; (iii) $350 per month; (iv) $625 per month.

2. J. Roland Donovan—$350 per month.

*OFFICE OF CITIZENSHIP MINISTER

Question No. 1,290—**Mr. Knowles:**

Where is the office of the Minister of Citizenship and Immigration?

Mr. Badanai: The Minister of Citizenship and Immigration performs the duties of office in various places, but principally at the following addresses: Citizenship building, 22-30 Slater street, Ottawa; 439C, House of Commons, parliament buildings; and 2nd floor, Immigration building, Champlain harbour station, Wolfe's Cove, Quebec.

*OFFICE OF HEALTH AND WELFARE MINISTER

Question No. 1,291—**Mr. Knowles:**

Where is the office of the Minister of National Health and Welfare?

Mr. Munro: The Minister of National Health and Welfare performs the duties of her office in various places, but principally at the following addresses: Copeland building,

Ottawa, Canada; Room 253S, House of Commons, Ottawa, Canada; 551 Clifton Avenue, Niagara Falls, Ontario.

AIRPORT LIMOUSINE CONCESSION, FORT SMITH, N.W.T.

Question No. 1,292—**Mr. Rhéaume:**

1. What procedure is followed in awarding the airport limousine concession at Fort Smith, Northwest Territories?

2. Which company presently holds this concession and (a) when was this concession awarded (b) what were the terms of the concession (c) when does this concession expire (d) which companies applied for the concession or were considered for it (e) on what basis was the concession awarded to the present operator?

3. Was the present limousine operation recently investigated as to adequacy and cleanliness of vehicles and, if so (a) what were the findings of this investigation (b) what action, if any, does the government propose to take?

Mr. Pickersgill: 1. Late in 1960 it was decided to establish a taxi concession at Fort Smith airport. After investigation by the regional officers of the department it was found that there were two taxi operators in the area who would be interested in serving the airport and who were qualified to provide the service required by the department and Pacific Western Airlines, the scheduled airline serving the airport. The two taxi companies were invited to submit sealed offers to the department for the concession.

2. The concession is held by Alex Collier operating under the name of Yellow Cabs. (a) The concession was awarded effective April 1, 1961. (b) The concession was for a term of three years and thereafter from year to year, subject to cancellation at any time after three years by 30 days' notice one party to the other. The rental payable is $1,020 per annum with monthly instalments of $85 each. The agreement covers the exclusive operation of the limousine and taxi service at the airport. (c) The initial term of three years expired on March 31, 1964, but in accordance with the agreement it runs from year to year thereafter, but is subject to cancellation at any time on notice. (d) Sealed offers were received from Yellow Cabs (A. Collier) and Ole's Taxi Service (Ole Pedersen). (e) The concession was awarded to Yellow Cabs on the basis that they offered a higher annual payment ($1,020 per annum as against $200 per annum offered by Ole's Taxi Service).

[Mr. Munro.]

3. Yes. (a) Yellow Cabs supplies sufficient number of vehicles to accommodate the traffic at the airport and these vehicles are generally of recent make. The condition of the vehicles and their cleanliness has been rated as fair. Pacific Western Airlines have not had any complaints from their passengers regarding the service but their airport agent occasionally complained about the cleanliness of the cabs. (b) The department has given legal notice under the terms of the agreement requesting immediate action to correct the above deficiencies and to bring the operation up to the standard required by the department. The department is now awaiting a further report from the regional official.

LOGGING OPERATIONS, FUNDY NATIONAL PARK

Question No. 1,293—**Mr. Fairweather:**

1. Is it proposed to permit logging operations to be conducted in Fundy national park in the near future (i.e. within the next 12 months) and, if so, will all saw mill operators in south eastern New Brunswick be given an opportunity to bid for this privilege by competitive notice of tender?
2. Have any cutting rights been authorized in Fundy national park from its inception to date?

Mr. Laing: 1. No.

2. From time to time permits have been issued to individuals living near the park for small quantities of dead or diseased timber for their own use, usually as firewood. No commercial cutting of timber has ever been authorized.

GROUNDING OF VESSEL, PUGWASH, N.S.

Question No. 1,295—**Mr. Coates:**

Was the inexperience of the pilot in any way responsible for the recent grounding of the vessel in Pugwash habour and, if so, to what extent?

Mr. Pickersgill: No. The master of the vessel absolved the pilot from all blame.

HALIFAX SHIPYARDS LTD.

Question No. 1,306—**Mr. MacEwan:**

In regard to question 1,241, what type of work was carried out by Halifax Shipyards Limited in the case of each item and also on what ships was the work completed?

Mr. Drury: In so far as the Department of Defence Production is concerned: The work carried out by Halifax Shipyards and name of the ship on which the work was completed in regard to each item included in reply to question 1,241 is as follows:

Ship	Nature of Work	Amount
New Waterford (frigate 304)	Emergency	$15,023
Algonquin (destroyer escort 224)	Emergency	16,852
St. Charles (ocean going tug)	Emergency	9,201
Chaudière (destroyer escort 235)	Emergency	9,141
Gatineau (destroyer escort 236)	Docking, refit	103,757
YMT 1 (diving vessel)	Docking, refit	12,476
Terra Nova (destroyer escort 259)	Emergency	5,278
B.A. Peerless (tanker, ocean going)	Degaussing repairs	4,817
Qu'Appelle (destroyer escort 264)	Emergency	12,650
Alcide (submarine)	Emergency	10,305
Imperial Sarnia (ocean going tanker)	Degaussing repairs	7,494
YBE494 (calibration barge)	Docking, refit	24,846
Yukon (destroyer escort 263)	Emergency	18,648
Chaudière (destroyer escort 235)	Docking, refit	80,000
Chaudière (destroyer escort 235)	Emergency	6,310

FLYING OF ROYAL UNION FLAG ON CANADIAN EMBASSIES

Question No. 1,310—**Mr. Marcoux:**

Will our ambassadors, as representatives of the Queen of Canada, fly the royal union flag on Canadian embassies throughout the world?

Mr. Davis: Canadian embassies now fly the red ensign. If resolution No. 44 now before the house is carried, steps will be taken to establish officially the flag that is clearly described as being the intended "flag of Canada". Once it is so established, Canadian embassies, high commissioners' offices, and all other Canadian offices throughout the world will fly that flag.

STUDY OF ATLANTIC SALMON

Question No. 1,311—**Mr. Flemming (Victoria-Carleton):**

Has the government received a request from the New Brunswick fish and game protective association to have a study made by a competent authority relative to the Atlantic salmon before the Mactaquac development is undertaken?

Answer: No letter located.

NEW BRUNSWICK—EFFECT OF DAM CONSTRUCTION ON SALMON PROPAGATION

Question No. 1,313—**Mr. Flemming (Victoria-Carleton):**

1. Has the Department of Fisheries made close studies of the effect of the proposed Mactaquac hydro project on the future propagation of salmon in the Saint John river and its tributaries?

2. Have suggestions been made relative to spawning grounds and, if so, is any information available relative to the cost?

3. What is the opinion of the Department of Fisheries concerning the effect of the proposed Mactaquac dam on the salmon fishing in the Saint John river and tributaries thereof?

Answer: 1. Yes. Studies of the lower tributaries are being confirmed.

2. Proposals have been developed and negotiations with N.B. Electric Power Commission are in progress.

3. Department is hopeful that a plan now being considered will be capable of maintaining a salmon run to the Saint John river.

*STATUS OF QUEBEC DELEGATE GENERAL IN PARIS

Question No. 1,337—**Mr. Choquette:**

Has the government of the province of Quebec asked the federal government to seek, for its delegate general in Paris, status similar to that enjoyed by its agent general in London and, if so, what are the problems involved in this project?

[*Translation*]

Mr. Martin (Essex East): Mr. Speaker, the reply to the question is as follows:

Since the opening of the Quebec delegation in Paris we have had consultations with the delegate general and the French government for the purpose of securing the privileges required for the efficient operation of the delegation.

We have found out that the relevant French regulations do not permit the granting to the delegation of a status exactly equal to that given by the British government to the agents general of the provinces posted in London. This is an administrative problem which the French government is considering at present and we trust that a solution will be found before long.

[*Text*]

MOTIONS FOR PAPERS

Mr. J. B. Stewart (Parliamentary Secretary to Secretary of State): Mr. Speaker, motion No. 132 is accepted. I ask that notices of

motions Nos. 133, 134, 135 and 136 be allowed to stand, in the absence of the hon. members who propose to make those motions. Would Your Honour now call notice of motion No. 123.

SECURITY PROCEDURES AND INVESTIGATIONS

Motion No. 123—**Mr. Knowles (for Mr. Orlikow):**

That an order of the house do issue for a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations.

Mr. Pearson: Mr. Speaker, there has only been one directive to government departments during the past year regarding security procedures and investigations, which adhered to the policies and procedures explained by myself and the then minister of justice on October 25. To table the directive in detail would, however, make public certain details prejudicial to national security. I therefore must, with great regret, decline to accept the motion as not being in the public interest, and in view of that fact I would hope the hon. member might be prepared to withdraw the motion.

Mr. Knowles: Mr. Speaker, may I say that the hon. member for Winnipeg North, who is unavoidably absent today, informed me yesterday that he had been told, and it was quite proper for him to be told, that the answer would be of the nature that has just been indicated by the Prime Minister. The hon. member for Winnipeg North therefore asked me on his behalf to request that this motion be transferred to notices of motions, papers, for debate on a Thursday afternoon.

Mr. Speaker: The motion is transferred for debate.

DETENTION OF UNITED KINGDOM VISITORS AT WINNIPEG AIRPORT

Motion No. 132—**Mr. Baldwin:**

That an order of the house do issue for a copy of all letters and communications regarding Mrs. Elizabeth McGarvie and Miss Joyce McGarvie who, as visitors from the United Kingdom were detained by officials of the department of immigration at the Winnipeg international airport on April 3rd, 1964.

Motion agreed to.

NATIONAL DEFENCE

NORTH BAY, ONT.—REMOVAL OF AIR FORCE PERSONNEL

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Associate Minister of National Defence and ask him whether the order given some time ago regarding the removal from the air force base at North Bay of some 200 married servicemen and their families, and I think over 100 single men, has been altered or revoked in any way in the last few days.

Hon. Lucien Cardin (Associate Minister of National Defence): No, Mr. Speaker; there has been no decision taken in the past few days that was not decided some time ago.

Mr. Diefenbaker: Was there a communication received by the Prime Minister on Friday last asking him or his executive assistant whether there had been a change in connection with the order, and was the answer that the department or the minister was not able to provide the information but that it could be secured from Mr. Keith Davey?

Mr. Cardin: No, Mr. Speaker. I was asked on Friday last whether there had been any changes in so far as the squadron of Voodoos in North Bay was concerned. It was decided that the Voodoos would be withdrawn from North Bay toward the end of the summer. I was asked whether there would be any replacement, and to that I answered no. I was also asked to give information as to what number of personnel were involved in the withdrawal of the Voodoos, and I ascertained that it was about 250. As a supplementary question I was asked what had been the increase in personnel in that area since the manning of the Bomarc, or the arming of the Bomarc, was undertaken, and the manning of the SAGE installation there, and I answered that it was over 300.

MEETING OF JOINT U.S.-CANADIAN MINISTERIAL COMMITTEE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. A dispatch from Washington states that there are secret discussions to be held tomorrow in Washington between ministers of the Canadian and United States governments to discuss the use of nuclear weapons during an emergency. I want to ask the Prime Minister if such a meeting is being held; if so, who will represent Canada at this meeting, and what is the nature of the discussions?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there is to be a meeting tomorrow. It is a regular meeting of the

ministerial defence committee of Canada and the United States such as has been held in the past. The Canadian government will be represented by the Minister of National Defence, the Minister of Defence Production, the Minister of Finance and the Secretary of State for External Affairs.

Mr. Douglas: A supplementary question, Mr. Speaker. Could I ask the Prime Minister whether two of the items on the agenda are the revision of the provisions whereby the United States may obtain permission to fly nuclear aircraft over Canada, and discussions to work out communication procedures for the firing of United States nuclear warheads on Canadian territory?

Mr. Pearson: Of course, Mr. Speaker, it is not possible to give the subjects on the agenda of a meeting of this kind without the agreement of both governments. But I can say—in fact I must say, in view of the fact that the hon. gentleman has mentioned them—that those two subjects are not on the agenda.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. In view of the Prime Minister's previous statements with respect to nuclear weapons, will the question of the gradual withdrawal of Canada from the nuclear field also be discussed?

Mr. Pearson: Mr. Speaker, all questions of mutual interest in the defence field will, I am sure, come up for discussion. I do not think that particular matter is mentioned.

Mr. Douglas: A further supplementary question. May I ask the Prime Minister whether he could give the house the assurance that there will be no extension of Canada's nuclear role as a result of these discussions, without submitting the matter to parliament?

Mr. Pearson: I certainly can give that assurance, Mr. Speaker.

[*Later:*]

Mr. Harold E. Winch (Vancouver East): I should like to direct a question to the Prime Minister, one which I cannot place on the order paper, sir. In view of the statement of the Prime Minister today about a meeting on defence to be held in Washington, which will be attended by the Minister of National Defence, Secretary of State for External Affairs and the Minister of Defence Production, is the Prime Minister in a position to inform this house whether those ministers have been advised in their discussions to fulfil the Prime Minister's promise to negotiate Canada out of a nuclear role?

Mr. Pearson: Undoubtedly they will be informed of recent developments in Canada's defence policy.

Mr. Winch: My question was, is there any discussion to be held concerning the fulfilment of the Prime Minister's promise, now over two years old, to negotiate Canada out of a nuclear role?

Mr. Pearson: The Minister of National Defence made quite clear the development of our defence policy and the direction in which it is leading. If that is not already clear to the United States government, it will be made so tomorrow.

EXTERNAL AFFAIRS

HUNGARY—REPORTED ARREST OF CANADIAN CITIZEN

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is intended for the Secretary of State for External Affairs but in his absence perhaps I can address it to his parliamentary secretary. What steps are being taken to assist a Canadian citizen by the name of Christian Reuter, who is reported to have been arrested and held by the Hungarian authorities? This matter takes on particular significance since only in the last few days it has been announced that diplomatic relations have been established between the two countries.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have some information on that matter, and perhaps my hon. friend would permit me to answer for the Secretary of State for External Affairs. Christian Reuter's plight, I am informed, was reported last week by the Canadian embassy in Vienna. There is no Canadian representative in Budapest; therefore the British embassy there kindly consented to act on our behalf. Accordingly the British consul applied to the Hungarian authorities seeking the right of consular access to Mr. Reuter in order that the circumstances of his arrest might be established, his treatment investigated and his rights as a Canadian citizen upheld. Up to this moment the British consul has not yet been granted consular access, and it is therefore not possible to provide the house with the official facts concerning Mr. Reuter's arrest, detention and the nature of the charge. I can assure the house and the hon. member that every effort is being made on his behalf.

Inquiries of the Ministry

HEALTH AND WELFARE

POLICY DECISIONS RESPECTING REPORT OF ROYAL COMMISSION

On the orders of the day:

[*Translation*]

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, before directing my question to the right hon. Prime Minister, I wish to take this opportunity, as an English speaking member representing a riding which is 70 per cent French Canadian, to congratulate and offer my best wishes to my fellow citizens, not only those inhabiting the beautiful province of Quebec, but living in every part of Canada, who are celebrating today their national feast day, the feast of St. John the Baptist.

[*Text*]

Some hon. Members: Hear, hear.

Mr. Grafftey: Mr. Speaker, while the right hon. Prime Minister has stated that the federal government will very carefully study the Hall commission report on health services before meeting with the provinces, is it the intention of the government to make public any policy decisions relating to this royal commission on health services before meeting with the provinces?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think it would be unwise to make public any policy decisions on behalf of the federal government until we have had an opportunity to discuss the matter with the provinces.

SHIPPING

MONTREAL—FEDERAL PARTICIPATION IN STUDY OF WATER LEVEL

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Prime Minister arising from the agenda for the water level seminar to be held in Montreal on Monday next at which the Minister of Transport and the parliamentary secretary to the Minister of Northern Affairs and National Resources will be addressing the conference. Will these hon. gentlemen be making some announcement in connection with water level policy on behalf of the government?

Right Hon. L. B. Pearson (Prime Minister): I cannot answer that question, Mr. Speaker. The matter will be discussed in cabinet tomorrow.

[Mr. Pearson.]

Mr. Aiken: A supplementary question, Mr. Speaker. Apart from this conference may we expect soon some announcement on water level policy?

Mr. Pearson: Mr. Speaker, I hope we will soon be able to have another announcement.

FINANCE

TARIFF CONCESSIONS TO FOREIGN AUTOMOBILE MANUFACTURERS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask the Minister of Finance a question of which I sent him notice.

Could the minister inform the house of the tariff concessions which were offered to the French firms, Peugeot and Renault, if they choose to open plants in Quebec?

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I am sure my hon. friend would not expect me to announce government policy on this or any other subject on the orders of the day. Before the government could reach a decision on this matter it would have to have all the facts respecting the plans and proposals of the two companies in question.

[*Translation*]

Mr. Pigeon: Mr. Speaker, may I put a supplementary question to the Minister of Industry?

Could he tell us whether he has met or been in touch with representatives of the French firms Peugeot and Renault concerning tariff concessions?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I did not quite catch the question. Is it asked whether I received a communication from the company? Well, the answer is no.

Mr. Pigeon: Has the minister been in touch with those firms?

Mr. Drury: The answer is no.

[*Text*]

LABOUR CONDITIONS

BANCROFT, ONT.—REQUEST FOR DESIGNATION AS LABOUR SURPLUS AREA

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I should like to direct a question

to the Minister of Labour. Has the minister had an opportunity yet to consider the request made by telegram yesterday by the mine and smelter workers of the Bancroft area that the area be designated a labour surplus area thereby qualifying, as Sudbury did, for transportation assistance to workers forced to leave that area to seek employment?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, this matter is under consideration.

Mr. Raymond Langlois (Mégantic): A supplementary question, Mr. Speaker.

[*Translation*]

Mr. Speaker, could the Minister of Labour tell the house whether, since the winter works period came to an end on April 30, the depressed areas, commonly known as designated areas, have also been abolished?

[*Text*]

Mr. MacEachen: No, Mr. Speaker.

[*Translation*]

Mr. Langlois: Mr. Speaker, I should like to put a supplementary question to the Minister of Labour. Can the minister tell the house whether the Thetford Mines area, where 600 men will be laid off, is still considered as a designated area, since there is some doubt in this connection as a result of the visit of the Quebec minister of natural resources, Mr. René Lévesque, in that area last week?

[*Text*]

Mr. Speaker: I really do not quite get the import of the question. Perhaps the hon. member would put it on the order paper.

[*Later:*]

Mr. Langlois: Mr. Speaker, I would like to rephrase a question I put to the Minister of Labour a few minutes ago. Is the minister willing to express to the house the fact that the Thetford Mines region is still a designated area for the coming year?

Mr. MacEachen: There has been no change in the areas that were designated last fall. The areas designated then are still designated. It is expected that the system will be reviewed this fall, and perhaps changes may be made at that time.

Mr. Langlois: In view of the fact that this area is faced with the closing of mines, and that some companies are interested in establishing in it this summer and are waiting for this answer, could the minister possibly let it be known as soon as possible so that they can establish industries there this summer, thus helping to combat unemployment in that region?

Mr. MacEachen: Mr. Speaker, I am afraid I do not just understand the import of my hon. friend's question. If this particular area is presently designated, or has been designated, then there will be no change, and whatever benefits are available now will be available in the course of the summer.

TRANSPORT

APPOINTMENT OF DIRECTOR OF METEOROLOGICAL SERVICE

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Minister of Transport but possibly his parliamentary secretary can take it as notice. In view of the fact that Dr. How has resigned as director of the meteorological service and that an appeal has been lodged against the appointment of Mr. R. Noble as his successor; and in view of the deterioration of our image in this field at international meetings as a result of appointing a director to this position with no scientific reputation, will the minister give consideration to requesting the civil service commission to initiate a new competition for this position at the earliest date possible?

Mr. Speaker: Order. It does strike me that this question, while very important, could nevertheless go on the order paper.

Mr. Coates: On a point of order, Mr. Speaker, I am quite agreeable to doing that if there is any possibility of getting any kind of answer in a reasonable time, but I have had a question on the order paper since May 1 and I have not had a reply yet.

Hon. G. J. McIlraith (President of the Privy Council): Mr. Speaker, I would point out that the difficulty with the question is that it is not in proper order. It contains several allegations, and does not ask merely for information.

CANADIAN BROADCASTING CORPORATION

CONSIDERATION BY DIRECTORS OF SHOWING OF FILM ON PRIME MINISTER

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Secretary of State.

If he cannot answer it today he might obtain an answer for the edification of members of the house concurrently with or before the announcement in the house tomorrow of the decision of the C.B.C. on the showing of the film "Mr. Pearson". Before arriving at their decision not to show the film, "Mr. Pearson", did the corporation refer the matter to the board of directors for a decision?

Hon. Maurice Lamontagne (Secretary of State): I do not think so, Mr. Speaker. The first decision was taken on the basis of program standards which have been applied by the corporation.

Mr. Nielsen: A supplementary question, Mr. Speaker. Will the Secretary of State inform the house whether the same body, the program standards division, will be making the decision which will be announced tomorrow?

Mr. Lamontagne: Mr. Speaker, as I said last Monday when I gave my answer to the Leader of the Opposition, the management of the corporation has submitted this question to the board of directors.

OMISSION FROM NEWS BULLETIN OF REFERENCE TO HOUSE DEBATE

On the orders of the day:

Mr. Joseph Slogan (Springfield): I have a question for the Secretary of State concerning the C.B.C. Will the minister inform the house whether there was any action taken by the minister or any member of the government to suppress from the C.B.C.-T.V. national news bulletin last night any reference to yesterday's debate concerning the C.B.C. film "Mr. Pearson"?

Hon. Maurice Lamontagne (Secretary of State): I certainly did not communicate in any way with the C.B.C. on this matter.

Mr. Slogan: I should like to ask the minister if, as a matter of information to the members of the house, he would inquire from the C.B.C. and inform the house tomorrow whether any official from the C.B.C. edited out any reference to yesterday's debate. Also will he inform the house as to what percentage of domestic national news compared with foreign news appeared on the C.B.C. national news last night?

Mr. Lamontagne: I will, Mr. Speaker.

DEFENCE PRODUCTION

REPAIR AND OVERHAUL WORK ON ARGUS AIRCRAFT BY FAIREY AVIATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Industry. Is he yet in a position to make a statement as to whether the Argus aircraft repair and overhaul work done at Fairey Aviation will be continued beyond the expiry date which otherwise will come fairly soon?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, this important problem is under active consideration at the present time but no decision has been reached yet.

Mr. Knowles: A supplementary question, Mr. Speaker. Will there be a decision and an announcement before the end of this month, in view of the current expiry date?

Mr. Drury: Mr. Speaker, I do not think there is a current expiry date, but I should like to reassure the hon. member that we are working as hard and as rapidly as possible to reach a decision.

DOMINION-PROVINCIAL RELATIONS

RESOURCE MINISTERS COUNCIL—LACK OF INFORMATION TO PRESS

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Can the minister comment on the recent meeting of the resource ministers council in Charlottetown, particularly in the light of the comments by Mr. Hennessy over the C.B.C. today which indicated that the conference was somewhat less than cordial?

Mr. Speaker: Order, please. While this is no doubt very interesting, we only have a half hour today and I wonder if the hon. member would not put his question on the order paper. I am sure he would get a detailed reply.

Mr. Dinsdale: With due deference, Mr. Speaker, I think it is rather important that the spirit of co-operation that existed in the past in this council continue. Perhaps the minister could answer this question. Can he comment on the charge made by Mr. Hennessy that there was a lack of information provided to the press from the conference?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I—

Mr. Speaker: Order, please. I do not know whether the instructions given the Chair by the house itself, namely that questions should not inquire whether statements made in newspapers are correct, would include radio. I assume that would be the legal interpretation; therefore the question is out of order.

LABOUR RELATIONS

NORTHLAND NAVIGATION LIMITED—SIGNING OF CONTRACT WITH S.I.U.

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): I should like to ask the Minister of Labour if he is aware that a situation is developing on the west coast that is potentially far worse than that of the seaway problem. Picket lines are being established. This results from the fact that the trustees, in collusion with others, have allowed engineers from Montreal to go to the west coast, despite the fact there are men available on the west coast. This is in conflict with the engineers and the C.M.S. guild.

Hon. A. J. MacEachen (Minister of Labour): I am aware of the situation which exists on the west coast. Whether it involves all the ramifications described by my hon. friend is something I am not prepared to admit.

Mr. MacInnis: Would the minister take into consideration the implications I have outlined in my question and take a serious look at the problem? Would he also consider the fact that Mr. Cunningham, a former west coast S.I.U. boss, is now the management consultant for the steamship line involved. This again seems to be with the blessing of the trustees, who are apparently working in collusion with others to the detriment of shipping in Canada.

FLOODS

WATERTON LAKES PARK—STEPS TO ALLEVIATE SITUATION

On the orders of the day:

Mr. D. R. Gundlock (Lethbridge): I have a question for the minister of northern affairs. I should like to ask him if he is now in a position to answer a question I asked on June 10, that is what aid will be given to those suffering from the recent flood disaster in Waterton lakes national park?

Inquiries of the Ministry

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): We have not yet assessed the full damage that was done. We have had some representations made by some of the lessees there, but no action has been taken to date.

Mr. Gundlock: May I ask a supplementary question. May I ask the minister if he is aware that even as late as last night the C.B.C. news carried pictures showing the flood in this area, which is actually not a fact? This is adverse publicity and is almost as bad as the disaster itself. I wonder if the minister could, publicly or in some way, inform the nation that this is not the case?

Mr. Laing: Yes, I understand that the portrayal last night by the C.B.C. was about a week late. This is most unfortunate. I am informed that over 90 per cent of the facilities for the public are available for public use. A statement has been made by our regional director in Calgary that this is the situation. We have had the utmost co-operation from the newspapers in the district and from radio stations in making the facts known. There have been a few cancellations, but we realize that probably the cancellations that have taken place were from the other side of the line where Glacier park, it would appear, suffered much higher damage than did Waterton. We are back in business at Waterton again.

Mr. Erik Nielsen (Yukon): While the minister was absent I asked the Prime Minister a question concerning floods in the Yukon. I wonder if the minister would refer to this question and give a statement to the house tomorrow?

Mr. Laing: Yes, Mr. Speaker.

Mr. Lawrence E. Kindt (Macleod): Is the minister of northern affairs in a position to give us a statement on the flood disaster situation at Stand Off, Glenwoodville and Cardston, or does his jurisdiction extend to that situation? Has the minister who is in charge been co-operating with him in taking care of it?

PROCEDURE

REQUEST FOR COMMITTEE RECOMMENDATION ON LIMITATION OF DEBATE

On the orders of the day:

Mr. Andrew Brewin (Greenwood): I have a question for the Minister of Justice which is based on what he said on Friday in answer to a question of mine about a matter

that some members are beginning to think is becoming very urgent, namely that he would inquire how soon the committee on procedure and organization expects to report an acceptable recommendation on limiting debate in this house?

Hon. Guy Favreau (Minister of Justice): I have not had a report on that yet.

POST OFFICE DEPARTMENT

TRAIL, B.C.—REQUEST FOR INVESTIGATION INTO OVERTIME MAIL DELIVERY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Postmaster General on a matter I brought to his attention yesterday inside and outside the house. Has the minister any information to give the house with respect to his inquiries concerning an unconventional special delivery of mail in Trail, undertaken at the request of the Consolidated Mining and Smelting Company Limited on the evening prior to a vote of the employees on an arbitration award?

Mr. Speaker: Order. Would the hon. member put this on the order paper.

Mr. Herridge: Mr. Speaker, this is a matter of national significance. It involves a principle.

Mr. Speaker: I have not the slightest doubt that every question asked in the house is of national significance.

Mr. Herridge: I should like to bring the matter to the attention of the house at ten o'clock.

[*Later:*]

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to direct a question to the Postmaster General which I believe must be answered now. Is the Postmaster General in a position to tell the house whether it is correct that in the past few days, and without his authority, a postmaster has delivered 3,000 letters without special delivery stamps and not within the general postal delivery time?

Mr. Speaker: Order. It seems to me this is the same question but in another form. Would the hon. member put this on the order paper.

Mr. Winch: Mr. Speaker, this is something which is of the utmost importance, because as I understand the situation it involves a breakdown of the authority of parliament with regard to what must be done in the delivery of letters. Is the Postmaster General in a position to answer this question?

Mr. Speaker: Whether he is in a position or not, I suggested that the hon. member put this on the order paper, and I think that judgment should stand.

DENIAL OF INFORMATION RESPECTING TENDERS AND CONTRACTS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, may I direct a question to the Postmaster General and ask him why I have been denied today the information in respect to the calling of tenders and the renewal of contracts in the Post Office Department in the riding of Hastings-Frontenac?

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, I thought the letter I wrote the hon. member yesterday covered the situation. In it I said:

> I appreciate the reasons behind your request and much as I would like to assist in this matter, you will realize that it has not been the policy of my predecessors to follow the requested course of action.

That is, under this or former governments.

> The fact that there is no precedent is not in itself justification for non-compliance with your request.
>
> I have looked into the matter fully and I find that, in order to supply the required information, we would have to add considerably to the administrative and clerical routines of the department. This in turn means setting up involved procedures to operate as a general practice. In view of the increase in work, I am loath to start an arrangement with you which could not be extended to your confrères in the House of Commons.

I thought this would have satisfied my hon. friend when I added:

> While I cannot accede to your request for general information, I can assure you that the department will be pleased to furnish specific information about any particular case you may wish to inquire about.

Mr. Webb: As a supplementary question, Mr. Speaker, as the Postmaster General is a new postmaster general and he may not be aware of this, I would say to him—

Mr. Speaker: Question, please.

Mr. Webb: —that this information is supplied to the defeated Liberal candidate in my riding. All it would involve now is another carbon copy which could be posted free, and then I—

Mr. Speaker: Order.

Mr. Webb: —would get the same information.

Mr. Nicholson: Mr. Speaker, if my hon. friend really wants this information he can put a notice of motion for the production of documents on the order paper, but it would take time and expense to produce them. If he wants some rambling information it is going to take some weeks to prepare it.

Mr. Webb: I was of course suggesting it would be more economical if he put in another carbon copy—

Mr. Speaker: Order, please.

Mr. Webb: —and I could get the information that way.

Mr. Speaker: The time for questions under our standing orders has elapsed.

Mr. MacInnis: Mr. Speaker—

Mr. Speaker: Perhaps the hon. member for Cape Breton South did not hear me. The time for questions on Wednesdays is one half hour and the time has expired, so orders of the day were called. That is what we are doing at the moment.

GRAIN

COMMITTEE CONSIDERATION OF PRICES PAID BY LIVESTOCK FEEDERS

Hon. Maurice Sauvé (Minister of Forestry) moved:

That the standing committee on agriculture and colonization be empowered to examine and inquire forthwith into all matters arising out of and relating to the difference between the prices received for feed grain by the producers in the prairie provinces of Canada and the price paid by livestock feeders in eastern Canada and British Columbia, and that the evidence adduced before this committee in the twenty sixth parliament be referred to the committee, and that the committee have leave to receive such evidence as part of the said examination.

Motion agreed to.

SUPPLY

INTERIM SUPPLY

The house resumed, from Tuesday, June 23, consideration in committee of the following resolution—Mr. McIlraith—Mr. Lamoureux in the chair:

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a (schedule C), of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

The Chairman: Order. Perhaps the committee would expect the chairman at this time to express an opinion or render a judgment in connection with the very important point of order which was raised by the Secretary of State for External Affairs shortly before we adjourned last evening. The minister at that time took exception to and requested a ruling from the Chair concerning certain expressions used by the hon. member for Bow River and the hon. member for Yukon.

The minister said, as reported at page 4644 of yesterday's *Hansard*:

—the hon. gentleman cannot under the rules of this house be allowed to go unchallenged when he suggests that the Prime Minister has misinformed this house—

And later, as recorded at page 4645 of *Hansard* the minister said:

I ask you, sir, to ask the hon. gentleman who spoke just before the hon. member for Yukon to withdraw what he said about the statement made by the Prime Minister, and the hon. member for Yukon a moment ago has violated our rules when he referred to statements made by the Prime Minister as lies.

Referring first to the words used by the hon. member for Bow River, these words are reported at page 4644 of yesterday's *Hansard*. The hon. member said:

None of us saw him rise in his place, Mr. Chairman, to answer the charge that he had misinformed the house.

These are the words to which the minister took exception, and I must say in my opinion the suggestion that there is misinforming of the house is not unparliamentary. I believe this statement or this phrase would have to be coupled with the suggestion that the misinforming was deliberate and voluntary to make it a breach of the privileges of the house and to make the phrase unparliamentary. This is my ruling in connection with that point.

Now, I would like to refer to the other matter referred to in the point of order raised by the minister. This has reference to the statements made by the hon. member for

Yukon, and these are reported at page 4645 of yesterday's *Hansard* where the hon. member for Yukon said:

> I said, sir, concerning those words quoted, that they were lies and I maintain they were lies—

I am sure the hon. member will agree with me that those words constituted rather strong language and my impression, knowing the hon. gentleman, was that perhaps they were uttered in the heat of debate and went beyond his thoughts. I would ask the hon. member if he would, perhaps, rephrase the statement he has made in order to facilitate the position of the Chair.

Mr. Nielsen: I want to be as co-operative as possible in all the circumstances. I think it would be rather difficult to rephrase, as Your Honour has suggested, the words I used last night. But before entering upon the merits of the point raised by Your Honour I wish to draw your attention to a point of order which the Chair may have overlooked and which may have been overlooked also by the Secretary of State for External Affairs.

If Your Honour would refer to page 121 of Beauchesne's fourth edition, 1958, and page 120, citation 138(2) you will see there is a specific procedure set out which must be adopted in committee and by the Speaker of the house in order to set the wheels in motion, should there be any question of enforcing an order which might be made by Your Honour or by Mr. Speaker. This procedure is also set out in May's Parliamentary Practice, sixteenth edition, commencing at page 468. The substance of these rules—I do not intend to go into detail now, but if the matter is pursued I should like to reserve the right to deal with it in more detail—the substance appears to be, according to May at page 473, that the matter must be raised at once, and if the house is in committee a specific procedure is laid down whereby the Chairman reports to the Speaker, and thus begins the chain of procedure which must then be followed. I raise this point now because I feel the point of order takes precedence over the suggestion made by Your Honour that the words I made last night should be altered in any way at all.

In brief, my statement at this time is that the matter must be dealt with at once and, therefore, that there is no jurisdiction resting with Your Honour or with Mr. Speaker to deal with it now at all.

The Chairman: I do not wish to argue with the hon. member but he must realize that when we had to adjourn at ten o'clock the matter was then under consideration, and we are now continuing the consideration of the matter which was under way at that time. It is true that an objection must be made immediately if any member objects to words uttered by hon. members in committee, in the same way as objection must be taken in the house. But this, to my mind, is exactly what the minister did. These words were uttered as reported at page 4645 by the hon. member for Yukon. He said he had uttered those words, and he repeated them. He said: "I maintain they were lies". This is the moment when the Secretary of State for External Affairs raised the point, and I do not agree with the suggestion made by the hon. member for Yukon that it was too late then, or that it is too late now, to pursue the matter.

On this particular question of procedure I must rule against the hon. member and I again ask him to give serious thought to withdrawing the words he used.

Mr. Nielsen: Well, I only wish at this time, before the procedure develops further, to refer Your Honour to page 4630 of *Hansard* where, in the right hand column, in addition to the words quoted subsequently by Your Honour from *Hansard*, I said, as reported: "I am not going to say that the Prime Minister lied."

The Chairman: I do not wish to put the hon. member in a difficult position, but he has just confirmed what I said. When he made that statement as reported at page 4630 he could not be called to order because he did not make a statement that these were lies. But he did make a statement, as reported at page 4645, and these were his words—unless they were incorrectly reported in *Hansard* and, if they were, now is the time to make the correction; he used the words: "I maintain they were lies". Perhaps the hon. member would like to tell us that he was wrong when he said what was reported at page 4645, and that what he really believes is what he said as recorded on page 4630 of *Hansard*.

Mr. Nielsen: I can only repeat that as reported at page 4630 of *Hansard*, I said: "I am not going to say that the Prime Minister lied". But when we read page 3429 of *Hansard* we find the following answer given by the Prime Minister to a question: "We do not censor films on this side of the house". I say, sir, that that is a lie, because that is precisely what happened. I would point out, too, that at page 3430 of *Hansard* we find

a reply by the Prime Minister which is reported as follows:

> The circumstances were perfectly proper. The initiative was taken by the producer of the film, and no question of censorship arises.

I also say that that statement is a lie. I went on to say, as reported at the page Your Honour has mentioned, page 4645—to quote the words in their full context:

> If the minister will stop his attempts at closure I will complete my point of order. I said, sir, concerning those words I quoted, that they were lies and I maintain that they were lies.

That, in my humble opinion, sir, is my view of the matter. There was a question of censorship involved. That is what the whole debate is about, and this question of censorship has been under debate now for two days, as well as during several question periods; it concerns the statement by the Prime Minister that there was no censorship on that side of the house. This whole debate revolves around the matter of government censorship and, in my humble view, the statement that there is no censorship involved in this question is as I described it.

Mr. Pearson: I suggest we accept the hon. gentleman's explanation as satisfactory and sufficient.

An hon. Member: No martyrs today.

The Chairman: Of course, the matter rests with the committee, and if the Prime Minister, who is actually the person concerned, accepts the words which have just been spoken by the hon. member for Yukon I have no further quarrel and I will recognize the hon. member for Bow River.

Mr. Pearson: Perhaps, Mr. Chairman, I might—

Mr. Diefenbaker: My hon. friend from Bow River had the floor. Ordinarily, I do not raise these matters, but it seems to me—

The Chairman: That is correct. The hon. member for Bow River had the floor last night and should be allowed to conclude his remarks.

Mr. Woolliams: I shall be very brief. I began to answer an attack upon me with reference to remarks I made earlier in the evening; I felt duty bound to answer those remarks.

In brief, I was accused of making a vicious attack upon the Prime Minister. This was said by the hon. member for Verdun. I was accused of making an unwarranted attack upon him. I was accused of making a premeditated attack upon him. If to point out to members of this house and to the country facts in absolute contradiction to the statements of the Prime Minister—if that is what the hon. member means by "vicious", then I am guilty. If it is unwarranted for me to dare to bring forward definite, concise contradictions made by the Prime Minister of this country when we on this side of the house are seeking information—if that is what the hon. member for Verdun meant by "unwarranted", I am guilty. If, in the words of the hon. member for Verdun, I have prostituted my ability clearly to bring before the house the facts relating to the C.B.C. and to other matters, but particularly relating to the C.B.C. to keep it independent politically, to keep it free from bias and to keep it out of the field of politics—and I did this with all the ability I can command—if that is what he means by that statement, then I am guilty. I say I am guilty because it is my responsibility to the people I represent, as it is also the responsibility of us all to the people of the nation and to parliament, to bring these facts carefully before parliament in relation to any other member, particularly in relation to the Prime Minister of this country. If by a "premeditated attack" the hon. member meant that I had done some research, read through *Hansard* and picked out those absolute contradictions, if that is the charge he makes against me, then I am guilty.

However, if the charge he made against me, which I say he failed to prove, was that I took out of context statements in *Hansard* or statements made in the debate itself, then I am innocent. I have appeared, and I say this with modesty, in every court in Canada, including this court, which is the highest court in the land, and I have never been accused of taking anything out of context, either unintentionally, as in the argument I produced yesterday, or intentionally. In that regard I say I am innocent. No words that Mr. Kent or anyone else wishes to place in the hands of the hon. member will create such fear that I will shirk my responsibility first to my constituency, then to the nation and to every hon. member in this house. Good or bad press is immaterial when one is dealing with the facts in this house. The facts must be known.

The hon. member for Verdun, speaking for the cabinet as their agent—and he admitted that to me very frankly—stated that in this day and age people of the stature of the Prime Minister of Canada should never be

subjected to that kind of attack. I say through you, Mr. Chairman, to the hon. member who does not appear to be in the committee this afternoon—

An hon. Member: Yes he is.

Mr. Woolliams: I am sorry; I did not see him. I would say to him this, that I intend, and I accept this as my responsibility, to bring these facts before the house. But if he thinks that this kind of attack was a vicious attack or was an unwarranted attack I should like to call a very good witness before the bar of the House of Commons. This witness of whom I speak gave on September 18, 1962, the evidence I will produce. If that distinguished member used the kind of language he used at that time with reference to another prime minister, I would have thought that the hon. member for Verdun should carefully analyse his remarks when he charges that I made an unwarranted attack on the Prime Minister.

It seems very strange, Mr. Chairman, that these men who now sit on the cabinet benches and who used to sit on this side in the past could make the kind of personal attacks that they did make in the past, and it would be all right. But this is the new era. This is the era of 60 days; this is the era of decision. And what decision. Today, because they sit on that side of the house, if people bring forward the facts in parliament for the people of Canada to read and appreciate, this is unwarranted and vicious.

Now let us see what this distinguished witness said on this former occasion. I observe some hon. members on the other side of the house are starting to wriggle because they do not know which witness I am going to call to the bar of this house. This witness can be corroborated in this kind of conduct by many who now sit in high places. This speech was made on September 18, 1962 by the present Prime Minister in Toronto when he was addressing the district Liberal members of parliament in the Royal York hotel. In these references he was referring to the present Leader of the Opposition. So that we get the atmosphere of this speech, it was made after the 1962 election, after the charge by the Liberals, who were then in opposition, with reference to the financial situation—and I see the minister of health trying to say something. Anyway, I could bring her in as a good witness if she wants.

In this speech these are some of the things the present Prime Minister said against the then prime minister. At that time no one now on that side said it was unwarranted, no one said it was vicious. Oh no—it was good for the country, because hon. members opposite were hungry for power. First of all the right hon. gentleman was very mild in tone. He said it was an "incredible effrontery," referring to the then prime minister. Then in dealing with the financial problem which arose during the election and the explanation given by the then prime minister, the present Leader of the Opposition, he said it was "gross and unpardonable deceit", still referring to the then prime minister. Then he referred to another man who was recently expelled from this house because he dared stand up in his place and bring certain facts before the house. This is what he said of him on that occasion, that "he still kept up the deceit". That is referring to the hon. member for Qu'Appelle.

On the second page of his speech the Prime Minister said this about the then prime minister:

> The prime minister, after the election was over, did not try any longer to conceal the facts.

In other words, the present Prime Minister charged the then prime minister, now the Leader of the Opposition, with concealing facts. If I were to use that kind of language this afternoon, or if I had used that kind of language yesterday, I would be called to order. The Secretary of State for External Affairs, who is not here this afternoon, would have risen from his seat. Today he is out of the atmosphere of politics; but yesterday he would have said that it was terrible for anyone to use that kind of language. And particularly so, said the hon. member for Verdun, against the Prime Minister of the country. I say with the greatest respect to the Prime Minister, to his person and to his position that in the House of Commons in debate we recognize the Prime Minister as the leader of the country and the leader of the house. But, as the former president of the United States, Harry Truman, said, if in debate you cannot stand the heat, stay out of the kitchen.

Mr. Churchill: He stayed out last night.

Mr. Woolliams: I will now move on to page 3 of this speech. He said that it was a "farcical explanation" and that there was "contempt of parliament". Then he went on to say that the former prime minister was—

> —the man who cannot make a speech without boasting how he has restored the rights of parliament.

Then he referred to all of the Conservative cabinet and put them in the same category, every one of them. This is what he said about them. He referred to "the government's stupidity and deceit"—he used the word "deceit". We know, Mr. Chairman, what the word "deceit" means. It means deliberate deception, in this case of the people, the House of Commons and the members of the House of Commons.

I now come back to my original point. When I made my attack yesterday afternoon, which I felt I did with responsibility and justification, the great brains of the Liberal party handed down a speech, which was read here, which said in effect that I had prostituted my ability and that I had made an unwarranted and a vicious attack. Why was that said? It was because the government realized that this attack was justified, and if they could whitewash the news items in the press of this country to make it more mild and palatable the people might accept it and understand.

Miss LaMarsh: Everyone is against you.

Mr. Woolliams: I hear the minister of health saying they are all against me. After seeing certain cartoons which went across the land I do not think she should talk like that.

Miss LaMarsh: Mr. Chairman, on a matter of personal privilege. May I suggest to my hon. friend that if he is desirous of appearing in cartoons I would be pleased to present him to several members of the press gallery.

Mr. Woolliams: I do not want to get into an argument at the moment with the minister of health, but I was thinking about that last cartoon I saw where the present Prime Minister was walking up the staircase with two balls and chains, one representing the minister of health and the other the Minister of Finance. That may have been the reason why when I raised my first question of privilege on this matter, the Prime Minister blushed and looked as red as a beet. If hon. members opposite care to read what the present Prime Minister said in that same speech, they will see that he linked Mr. Diefenbaker with the London *Daily Worker*; he linked Mr. Diefenbaker with Khrushchev, with regard to the suggestion concerning a world trade conference. In other words, it was fine for the Prime Minister, then the leader of the opposition, to call a then Conservative prime minister deceitful; it was fine for him to link the prime minister with the *Daily Worker*; it was fine for him to link the then prime minister with Khrushchev—and it was also fine for any man who sat in high places to refer to him as a nazi.

That was the kind of abuse that poured out across this nation for five years. Sometimes we Tories have to take off our coats, because this is an old, Liberal trick, namely that in order to defeat a Conservative government the first thing you do is destroy its leader. They did it to Arthur Meighen; they did it to Bracken; they did it to Drew, and they did it to R. B. Bennett from my own city—and they finally tried to do it to the present Leader of the Opposition. But they have not succeeded.

Some hon. Members: Hear, hear.

Mr. Woolliams: So they hired a boy to do a man's job last night, because these people over there on the front benches were not in the chamber at the time. I want to hear from the cabinet on this; I want an explanation of these matters; I want to hear what they have to say.

Mr. Mackasey: On a question of privilege, Mr. Chairman.

Mr. Woolliams: We could put on—

The Chairman: Order. The hon. member for Verdun is rising on a question of privilege.

Mr. Woolliams: Is he rising because he isn't a boy?

Mr. Mackasey: Mr. Chairman, I would accept that description of myself in preference to the one the hon. member used last evening on a question of privilege. I had no intention of interrupting the hon. member, but on several occasions in his speech so far he has emphasized that someone else wrote my speech for me. I know it may be straining the credulity of the hon. member, but I would ask him to accept as a fact that I prepared my own speech, as I have always prepared my speeches, whether they have been ordinary or excellent, in my short political career. Whether the hon. member accepts that fact or not is entirely up to him. While I am on my feet, Mr. Chairman, I may say that I completely accept—I say this in the presence of everybody—the hon. member's admission of guilt as he eloquently expressed it at the beginning of his remarks.

Mr. Woolliams: Well, Mr. Chairman, if the hon. member said he did write that speech, there is one thing we are sure of—that he did read that speech.

An hon. Member: Shame.

Mr. Woolliams: Somebody said "shame". Of course it is a shame; it takes up the time of the house and it is so uninteresting.

An hon. Member: Not as uninteresting as your speech.

Mr. Woolliams: Before I leave this matter, Mr. Chairman, I want to put a little more evidence on the record. I wish to read from *Hansard* of May 21, page 3428. This is in reference to a communication with Her Majesty the Queen with respect to the flag. This is what the Prime Minister said about this particular matter. There are dozens of these cases that I could mention, but I want to put one more on the record:

Mr. Pearson: Perhaps that will explain the inaccuracy of the right hon. gentleman's report.

Mr. Diefenbaker: Is the report inaccurate in stating that the Prime Minister said that he had telegraphed the Queen and had advised her that the red ensign would not be our flag?

This is the point:

Mr. Pearson: Yes, it is inaccurate.

Meaning that he had not telegraphed the Queen. A few days passed, not very many; and just so we have the record straight I would point out that this was on Thursday. Then there was Friday, Saturday, Sunday; and on Monday—

Mr. MacEwan: Jack returned.

Mr. Woolliams: Yes, Jack returned. I should now like to read from *Hansard* of May 25, 1964, page 3533:

Mr. Pearson: Mr. Speaker, I think I should tell the house that I have, in an informal way, informed the Queen, through her private secretary, of the intentions of the government in this matter, without of course asking for the Queen's advice, which would be unconstitutional. As a matter of courtesy it was surely desirable to let the Queen know what the intentions of the government were in this matter, and that has been done.

An hon. Member: Why didn't you tell the hon. member for Hull (Mr. Caron)?

Mr. Diefenbaker: Mr. Speaker, I do not want the Prime Minister in any way to go into detail, because the Queen would not get any more information than the house has received, I suppose—

Then there is this passage:

—but would the Prime Minister say when it was that he communicated with the secretary of Her Majesty the Queen?

I ask hon. members to keep in mind that the Prime Minister said he had not communicated with Her Majesty the Queen, and to keep in mind that the Prime Minister does not contact the Queen directly.

Some hon. Members: Oh, oh.

[Mr. Woolliams.]

Mr. Woolliams: You can't shout me down now; you can make as much noise as you want. I know you don't like to hear these facts because you feel very uncomfortable; and I know the Prime Minister will be blushing today as he did when he refused to answer the question of privilege.

Mr. Sharp: We would like to have facts, not fiction.

Mr. Woolliams: I never knew the debates in *Hansard* were fiction, except when the hon. member who has interrupted me is talking.

Mr. Sharp: It is your interpretation that is fiction.

Mr. Woolliams: I will continue reading from *Hansard:*

Mr. Diefenbaker: —but would the Prime Minister say when it was that he communicated with the secretary of Her Majesty the Queen?

Mr. Pearson: I have not the exact date in my mind, Mr. Speaker.

Not the exact date. Then he said:

The first communication was a good many days ago, and there has been one since that time.

In the house on Thursday the Prime Minister said there was no communication, and on Monday he said there was communication.

Some hon. Members: No.

Mr. Woolliams: My friends say no. We are anxious to hear the explanations of these things.

I now want to turn to one other subject before I sit down, Mr. Chairman. I think it is very important because we do not want to lose the perspective of the debate. First of all, these irregularities and contradictions were pointed out because we have read in the newspapers recently and have heard a lot of talk about the respect for parliament; but if members of the opposition cannot get the information for which they ask, if they cannot get the information without wishy-washy answers or contradictory answers, respect for parliament will go down and down, and not only will we lose our democratic system but we will eventually lose parliament itself.

Let us consider the C.B.C. for a few moments. I need not remind hon. members that the C.B.C. was incorporated as an independent corporation. It is supposed to be independent from political influence; it is supposed to be away from bias. But I say this to the Prime Minister through you, Mr. Chairman, that the way they have conducted this affair over the famous Pearson film raises a great many queries in our minds. It is not

the $35,000 the taxpayers have thrown in the wastepaper basket that we are complaining about; but as soon as they get into the realm of communications it is a sad state of affairs, because we know what has happened in other lands when any government has controlled thought by communication.

I say they have politically interfered with the C.B.C. If we could have certain members of the C.B.C. appear before a special committee, when it would not be said that heads would roll in the aisle and they could come here freely, to a free institution and speak for themselves, they would say how many calls they have received from the Prime Minister's office on this and other matters; they would say how much interference there has been from other cabinet members. The C.B.C. was incorporated as an independent body to be a news medium and means of communication across this nation.

Some hon. Members: Hear, hear.

Mr. Woolliams: My good friends clap; they make noises, but their words do not bear out the purpose for which the C.B.C. was incorporated. They have interfered with the C.B.C.; they are guilty of censorship and interference. I still say that I hoped that on the day I raised the question of privilege, yesterday, there would have been a few more cabinet members in the chamber. At one time we were down to eight or nine members on that side. It was a serious charge. I made it with responsibility and I made it because I believed it was my duty to the people of my constituency, the people of the nation and to the members of parliament in this house.

Mr. Pearson: Mr. Chairman, I greatly welcome the opportunity to take part in this discussion and in doing so I do not propose to go back and read the election speeches or post-election speeches of leading members of the opposition. I propose to confine my remarks to what has been happening in the house as appears in *Hansard*. I have made the same kind of election speech which my hon. friend who has just sat down complains so bitterly about when they are uttered by members on this side of the house, and no doubt in the heat of debate outside the house at political meetings we do say things which we should perhaps regret later. At times we may even accuse members of this house of being more interested in their salary increase than they are in the settling of the flag question.

The hon. member who just sat down once said, and I am sure he regrets this very much, that the Liberal party is a cesspool of civil servants with red friends.

Mr. Woolliams: I rise on a question of privilege, Mr. Chairman. What I did say at the time Hazen Argue, who had said he was a socialist, joined the Liberal party was that birds of a feather flock together and birds of red feathers roost together.

Mr. Pearson: Yes, we have the hon. member's speech, and he also said that. But this is a kind of idle talk. What we want to do is decide in respect of the situation which is now before us on the basis of the facts because the facts, Mr. Chairman, often give a sufficient answer to the product of frenzied imaginations or calculated malevolence.

I am sorry that I was not able to be in the house last night to listen to what was apparently a very interesting evening of debate. In my present office there are certain duties and obligations which keep me out of the house. They entail certain sacrifices and my absence last night was one of those sacrifices. The extent and nature of the sacrifice I will leave to those who were here and were subjected to the debate.

I do not want to spend very much time dealing with the remarks of the hon. member for Bow River, but I want to thank him for his reiterated respect for the office of the prime minister, uttered with a kind of nauseating sanctimoniousness, very often as a prelude, to use his own words, to taking off his coat and destroying the leader. I also want to thank him for his devotion to the standards of parliamentary purity and the dignity and decency of debate. These are things we can all support, however inadequate we may be in our performance.

But I have to refer to what he said because he has demanded my resignation. This is a very serious matter, Mr. Chairman.

Mr. Nielsen: Let us have it.

Mr. Pearson: He has demanded my resignation, not on the ground that I produced an economic report marked "confidential" with the page marked "confidential" torn off, not on the ground that I introduced into *Hansard* a forged letter designed to stir up trouble between Canada and the United States. The hon. gentleman, with his passion for the purity of parliament, was strangely silent when these things were done in the House

of Commons. But now he thinks I should resign because I got a little mixed up about a meeting—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Oh, you got a little mixed up.

Mr. Pearson: —concerning the Banff games that was held at the winter games in Austria, and perhaps I called a "conference" a "meeting" or something of that kind, that took place in Austria. I may have misled the house in relation to the nature of that meeting at Salzburg and I really do apologize. I should have said Innsbruck. There is another example of misleading the house. I said Salzburg when it was Innsbruck, but I really feel I cannot resign on those grounds.

Far more serious is the use I made or did not make of a letter from 12 intellectuals—

Mr. Diefenbaker: Sneeringly.

Mr. Pearson: —dealing with the flag. The hon. gentleman opposite said I should resign because I misled the house by saying this letter was not signed, when it was signed. That is what he said.

Mr. Woolliams: I wonder whether the Prime Minister would read what I said.

Mr. Pearson: I will deal with that.

Mr. Woolliams: Read it.

Mr. Pearson: I received two letters, one addressed "Dear Mr. Prime Minister" and one addressed "Dear Mr. . .". The "Dear Mr. . ." letter apparently was a kind of form letter reproduction of the first letter which was sent to a great many people, including members of parliament. It was sent to them by one of the 12, if not all 12, before I received the letter which was addressed to me. It had no address on the top and no salutation. I did get one about the same time—a little later, I think, because it was sent special delivery, and it was addressed "Dear Mr. Prime Minister". It had no indication of origin. It had no signature of any kind, except 12 typewritten names—not one signature, just 12 typewritten names, and no indication where I should send an acknowledgement if I desired to send one, as I generally do to my communications. There were just 12 typewritten names. We have to be very careful in receiving letters of this kind without signature, Mr. Chairman, because they might well be forged, and we on this side try to be careful about that sort of thing.

Mr. Churchill: You are still worried about that.

Mr. Pearson: But the hon. member for Bow River has misled the house by stating this letter to me was signed.

Mr. Woolliams: Mr. Chairman, I rise on a question of privilege. Would the Prime Minister read from *Hansard* where I said it was signed?

Mr. Pearson: We will find it and I will be glad to read it. Here it is: "A signed communication", he said, "with 12 typewritten names". If the hon. gentleman has misled the house in this regard I hope he will at least resign his seat in accordance with his own precepts of divine and natural justice.

Now, Mr. Chairman, I should like to deal with this question of the film which has got me so much undeserved publicity. If and when it is shown, I think I am now guaranteed the largest audience that any Canadian television performer has had, including the hon. member for Port Arthur. For that, of course, I should be, and indeed I am, grateful. No doubt a decision is now being made by the C.B.C. board of directors as to whether or not I am to get this publicity.

Before I deal with certain aspects of the film, I want to clear up one point, I hope once and for all, although I am not quite sure my ambitions in that regard will be realized. I have been accused, as the leader of the government, of permitting cameramen into a meeting of the cabinet or a meeting of a cabinet committee. I confess, Mr. Speaker, I was very angry and indignant at that charge, even by implication, because that would have been a violation of my oath as a privy councillor. If indeed that had happened, I should resign. But it did not happen and the insinuations and suggestions that it did happen are false, misleading and untrue. There was no filming of a cabinet meeting or any part of a cabinet meeting or any committee of the cabinet. A picture was given to the press—by whom I do not know, presumably it would appear to be Intervideo Productions—of what purported to be a cabinet meeting, and was so described in certain newspapers where that picture appeared.

This picture, Mr. Chairman, was not of the cabinet in session which would, as I have said, have been a violation of our oath as privy councillors. Moreover, this picture did not appear, in fact, in the film as shown to the press, as the hon. member for Port Arthur must have known because he was

there, but who did not attempt to clarify the matter when it came up. The picture was in fact, Mr. Chairman, a shot of certain cabinet ministers in the cabinet room before a meeting. What was in the film, as shown to the press, I have ascertained from those who were there, was a discussion in my office with three or four ministers, the sort of thing I have every day and which the producer asked leave to photograph under conditions which I will refer to later. It was not a cabinet committee meeting. A cabinet committee has a formal agenda and formal minutes. What was photographed and included in the film was simply a sort of informal discussion with ministers in my office, such as take place practically every day.

There is of course, Mr. Chairman, no impropriety of any kind in taking a picture of the full cabinet before a meeting of the cabinet, in informal discussion. There is no impropriety in that procedure at any time. I have no doubt that when my right hon. friend the Leader of the Opposition was in office such a picture or pictures may have been taken and displayed in the press, pictures of cabinet ministers in discussion before a cabinet meeting occurred. I have no doubt in the world that that happened. Indeed there is no doubt on the point, so I hope there will not be any allegations of impropriety in using that picture.

Now, Mr. Chairman, I should like to say a few words about this famous but unseen film, its origin and its present position. I am very glad to have the opportunity of putting these facts on the record. This is the first opportunity I have had because it is not possible to tell the story in answer to questions. There has been no other opportunity. There was no other opportunity until we got into interim supply, and interim supply has been going on for two or three days. Naturally, I wished to hear the allegations and charges made by the other side before I stated what, in fact, had happened. If I had done otherwise, it is quite obvious what would have been the reaction of hon. gentlemen opposite. They would have said that while they were ambitious to get ahead with the flag resolution and the important legislation before this house, I had introduced this question into supply by making the first statement about it; that would have been the charge.

Now, Mr. Chairman, I am not answering statements made in the house by frontbenchers of the opposition. I am dealing with statements made by other members of the official opposition, and with questions that were raised on orders of the day. It is difficult to answer questions on a matter of this kind on orders of the day. If you give a simple, direct answer to the specific question asked, in its limited interpretation, you are accused of not telling the whole story. If you try to tell the whole story, the antecedents, surroundings, and so on, you are accused of trying to mislead the house by a wealth of detail. I have the opportunity now, Mr. Chairman, and I propose to take full advantage of it.

The idea of this film was first suggested to a member of my office in September, 1963, by a telephone call from a producer of the Canadian Broadcasting Corporation. This telephone call was followed by a letter on September 9. I have a copy of that letter before me dated September 9. It is signed by Mr. Ross McLean, who is a producer for the Canadian Broadcasting Corporation and it is addressed to Mr. Richard O'Hagan, office of the Prime Minister, Ottawa, Ontario. This letter says this, he having made the request that we allow this to be done on behalf of the C.B.C.:

> I know that you understand what such a request involves. I won't pretend that a film of this kind can be made without some intrusion into private areas of an individual's life. For a full understanding of the job he performs, we would need to follow him fairly closely over a period of several days. We would want to see him in a variety of official activities, and we would hope as well to see him informally at home and elsewhere.

He made a very strong plea that we allow this film to go on. I mention this because it is important, Mr. Chairman. It shows that the initiative in this matter, and this is important, did not come from anyone connected with my office or with the government; so there was no question of any image making overtures from the government which so upset the former minister of agriculture the other day. He thought we had been going in for image making, and this was the most horrible example he had yet discovered of this process. I welcome his conversion to the iniquities of image making because, in all the long history of political image making in Canada, there is nothing to compare with a trip from Ottawa to Hong Kong at public expense to be photographed signing a treaty with the Chinese communists which had, in fact, been signed two days before. I agree that there was a great deal for him in his position; but image making techniques can go too far. They are rather an unfortunate development on the body politic, and I am very glad indeed that this particular film was

initiated by the C.B.C. and not by anyone connected with a government or with a political party.

The C.B.C. spokesmen, Mr. Chairman, stated from the beginning that they were anxious to film—and these are their words—"an intimate, candid, documentary study" of myself and the working of my office. They wanted to film conferences between myself and the ministers, as Mr. Ross McLean mentioned in his letter, and staff meetings, activities at my home and that sort of thing. They said they wanted to break new ground and produce an entirely new kind of t.v. film, and I think they succeeded.

Mr. Diefenbaker: After the clippings were done.

Mr. Pearson: They emphasized that no similar film had ever been attempted by them and that new procedures and new arrangements for review would therefore be necessary in a film of this kind. This was the proposal made by the C.B.C.

Well, Mr. Chairman, I still hesitated. I was conscious that this might be a difficult, indeed an impossible operation, for a government corporation, and I don't mind admitting that I wish my hesitation had been more prolonged and had resulted in a negative decision. But it was emphasized again, to remove this hesitation, that for obvious reasons we would have to have the right, the customary right in pictures of this kind, the right of review of certain material to protect privacy because of the nature of the filming going on, to ensure good taste and the security of private conversations on questions of public policy.

Well, Mr. Chairman, I still had doubts even after these assurances, even after the filming began, so the producer, Mr. Ballentine, sent a letter to me on September 23 to remove these doubts and make it possible for him to go ahead with the production. We had every right to assume that this letter was sent with the knowledge and the approval of the C.B.C., because he was doing the job for them.

This letter is dated September 23, 1963 and it begins, "Dear Mr. Prime Minister" and includes these paragraphs:

> I know that there is much we would like to film that you do not wish in the final documentary and the time you take to consider these requests is valuable. I can see that we are an embarrassment to you when you are with other people. I know of no way to eliminate these and the other problems entirely, but we can keep them to a minimum.

[Mr. Pearson.]

Then he goes on:

—the finished film—

I am quoting from his letter—

Mr. Churchill: Are you going to table it?

Mr. Pearson: I am reading from it.

Mr. Diefenbaker: Table it.

Mr. Pearson: It is not an official document. I take full responsibility for this letter and there is nothing in it I would not be glad to put on the record. I will read the whole letter so far as that is concerned, but I am trying to save the time of the committee so that we can get on with the business of the country, but this is the important part and bears on this matter.

Mr. Diefenbaker: On a question of order, it will not waste any time of the committee if the right hon. gentleman just tables the letter, which he is required to do. He cannot simply pick out selected portions.

Mr. Pearson: My right hon. friend—

The Chairman: Order please. I understand there is no specific ruling or practice in the house that requires or obligates an hon. member to table a letter, unless it is an official document, although I also understand it is the custom to do so.

Mr. Churchill: On the point of order, surely this is an official document coming from a person employed by a crown corporation. It is not just from an ordinary individual in the country.

The Chairman: It is official in a way, but it is not a state document in that way. It is not an official document.

Mr. Pearson: Well, Mr. Chairman, I am reading parts of this letter—

Mr. Churchill: There is something you want to conceal or you would read the whole of it.

Mr. Pearson: I assure my hon. friend there is nothing I want to conceal and that this is a genuine document signed by the writer.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: The committee has a right to these documents. The Prime Minister cannot simply place before the committee those portions of them that he desires. This is an official document. It cannot be anything else, and to simply endeavour, by a sneering reference such as he just made, to get around

the necessity of producing the letter is simply not in keeping with the dignity of this chamber.

Mr. Pearson: Mr. Chairman, I know my right hon. friend is very suspicious—

Mr. Diefenbaker: No, not suspicious.

Mr. Pearson: And I would hope I would not have to read some personal references to other people in this letter, but I will ask the man who wrote me the letter if I have his permission to put the whole letter on the record. I will be very glad to do so. I am reading portions which have been made public in the public press, to which he cannot obviously object because they deal with the arrangements covering the film. But I will get in touch with him as soon as this day's session is over and ask his permission to table the whole letter.

Mr. Diefenbaker: I don't think he will object.

Mr. Pearson: I would like to observe the ordinary courtesies in this matter, Mr. Chairman.

Mr. Diefenbaker: We also ask that the ordinary amenities be observed and that the Prime Minister do not hide behind any point of insinuation.

Mr. Pearson: This is a paragraph which has already been referred to in the press and which I should put in, in its textual form, because it is extremely important. It gets to the heart of the arrangements made with regard to the film, and Mr. Ballentine writes as follows:

> The finished film will be yours to judge and approve before it is made public and, thus, will contain nothing to which you object.

Now, that is a perfectly obvious arrangement to make because of the nature of the filming that was going on in my own home and outside the house. Mr. Ballentine further wrote:

> But in this kind of film, candid documentary, we need access to a wealth of material in order to catch the right material. One of the great limitations of the camera is that, unlike a writer, if it isn't present it can never know what happened.

Then he went on and said this:

> We would, however, appreciate being with you during as many private times as you can allow, so that we can begin filming again when you permit.

Because I had for the time being suspended operations.

> In any event, anything we get on film that you have reservations about can be corrected later. The fact that something is filmed does not compromise you or your staff in any way.

It was an effort on his part to remove my feeling that there would be a great deal of personal filming done. Indeed, that was insisted upon by the producer, that I must have some right of review in the interests of public security, and in case any secret conversations on policy were filmed.

Mr. Churchill: What secret conversations could you have as a member of the privy council?

Mr. Pearson: I would be very glad to answer that question. There were conversations in my office with cabinet ministers and we talked about public policy. The cameraman wanted to have a film of this kind of operation going on, and it would be quite improper for a conversation between the Prime Minister and a minister to be filmed if it had dealt with some matter that had not been presented before the House of Commons; and we were anxious to make sure that would not happen in any public production.

Now, the film was subsequently discussed at its various stages, when we discussed it at all, with the C.B.C. and the producer on the basis of this agreement contained in a letter to me by the producer. But it was discussed with a full awareness on our part that there was need to respect the producer's editorial prerogative as well. The problem was to reconcile these two things. There was no transgression of editorial independence by our side and there was no request made either at that time or later by any member of the government or any representative of my office, or of mine, that the film in the form in which it was completed should be shown or not shown publicly. Never at any time was a request made that it be shown or not be shown. I make that statement as a member of this house and as leader of the government, and any insinuations to the contrary are false. And insinuations have been made in this house. Indeed, it has been charged in the house that we stopped the showing of this film. That charge is false.

Mr. Woolliams: Like your other statements.

Mr. Pearson: What did the hon. member say?

Mr. Woolliams: "Like your other statements".

Mr. Pearson: Well, I will leave the hon. member in his gutter where he wallows so readily.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: That is the second time in a week you have talked about gutters. You must be acquainted with them.

Mr. Pearson: Will the right hon. gentleman contain himself for a few moments and control his impatience. He will have his opportunity to speak and I am sure we will listen with interest to his remarks. In the meantime, let him keep silent.

Mr. Diefenbaker: Mr. Chairman, this is the second time in a week that the right hon. gentleman has talked about gutters. I wonder why he is always talking about gutters.

An hon. Member: You should know.

Mr. Pearson: The reason must be that I sit so close to the opposition.

Some hon. Members: Hear, hear.

Mr. Pearson: I wish the right hon. gentleman would not single me out like this. It makes me nervous.

Mr. Nielsen: I rise on a point of order concerning the quotations made by the Prime Minister not only from the letter he is reading now but the letter he read a moment or two ago. I refer Your Honour to pages 328 and 329 of May's thirteenth edition where it is set forth that as a principle of debate a minister of the crown is not at liberty to read or quote from a dispatch or state paper not before the house unless he is prepared to lay it on the table. This is also referred to by Beauchesne in citation 159. To go further, I should like to quote from Sir Gilbert Campion's book, "Introduction to the Procedure of the House of Commons" where the following words appear at page 195:

> The rule as laid down by May (p. 433) is, "A minister is not at liberty to read or quote from a dispatch or other state paper not before the house, unless he is prepared to lay it upon the table."

Some hon. Members: He is.

Mr. Nielsen: If hon. members opposite will wait for a while, they will see the point. They are always so anxious to impose closure here—

Some hon. Members: Oh, oh.

Mr. Nielsen: The citation continues:

> The rule is akin to the rule of evidence in courts of law, and is a recognized standard for ministerial practice. It only applies to direct quotation from a paper, not to a mere summary of arguments contained. Nor is it always enforceable in the case of actual quotation. In the first place it may be overridden by considerations affecting the public interest. Nor does it apply to private memoranda or correspondence or generally to any papers the production of which would, but for it, be refused to the house as being beyond its jurisdiction. The conclusion from these divergent considerations is that papers which cannot be laid in toto should not be read or quoted in extracts.

I submit that having regard to the number of times this matter has been raised in the house, and because they concern a matter of public importance, that these papers, or any others from which the Prime Minister attempts to quote should be laid on the table of the house in order that all members, and the country at large, may have all the facts which the Prime Minister is urgently attempting, he says, to lay before us.

Mr. MacEachen: Perhaps I may say a word on a point of order raised by the hon. member for Yukon. A similar point of order was raised previously when the Prime Minister was quoting from these letters. At that time you made a ruling, Mr. Chairman, to the effect that there was no obligation on the part of a minister, including the Prime Minister, to lay on the table any paper which was not a state paper. This is certainly not a state paper. You have made your ruling, Mr. Chairman, and it seems to me there is no validity in the point of order raised by the hon. member, particularly in view of the assurance given by the Prime Minister that he would consult with his correspondents, and that, with their permission, he would place on the table voluntarily the letters from which he is quoting.

The Chairman: The hon. member for Yukon has already spoken on this point of order. Does he wish to submit additional views?

Mr. Nielsen: Very briefly, Your Honour. I would simply point out in rebuttal of the Minister of Labour that the volume from which I quoted—the volume written by Sir Gilbert Campion—contains, in addition, this illuminating quotation:

> Nor is it always enforceable in the case of actual quotations. In the first place it may be overridden by considerations affecting the public interest.

I submit that this issue is of overriding public interest, and because of this fact the Prime Minister should want to facilitate the placing of all the facts before the committee. He can only do this, surely, if he tables the documents from which he is quoting.

Mr. Winch: I simply rise on what I hope is a point of order to make a suggestion to the members of this house. It is this. In view

of the interest in this matter, which has been the subject of discussion for many days, and perhaps for the sake of the dignity and decorum of parliament, we might give the Prime Minister the privilege of being allowed to make his statement uninterrupted, and if we are not satisfied with what he has to say, then we have the opportunity on this supply motion to go after him.

Some hon. Members: Hear, hear.

The Chairman: A cursory look at the sixteenth edition of May confirms the position I took earlier when this point of order was first raised. If the hon. member would look at page 460 of that volume, he would see the following:

> A minister of the crown is not at liberty to read or quote from a dispatch or other state paper not before the house unless he be prepared to lay it upon the table.

The word "state", of course, constitutes the distinction which must be drawn here. Then there is the following paragraph which appears at page 461:

> A minister who summarizes a correspondence, but does not actually quote from it, is not bound to lay it upon the table. The rule for the laying of cited documents cannot be held to apply to private letters or memoranda.

Then it continues:

> Indeed, it is obvious that, as the house deals only with public documents in its proceedings, it could not thus incidentally require the production of papers which, if moved for separately, would be refused as beyond its jurisdiction.

In other words, if the document is an official document the hon. member can move for its production. If it is not official, it does not have to be tabled if the Prime Minister, in this case, does not want to table it.

I might also refer the hon. member to citation 159(3) of Beauchesne's fourth edition:

> It has been admitted that a document which has been cited ought to be laid upon the table of the house, if it can be done without injury to the public interest. The same rule, however, cannot be held to apply to private letters or memoranda. On the 18th May, 1865, the attorney general, on being asked by Mr. Ferrard if he would lay upon the table a written statement and a letter to which he had referred on a previous day, in answering a question relative to the Leeds bankruptcy court, replied that he had made a statement to the house upon his own responsibility, and that the documents he had referred to being private, he could not lay them upon the table. Lord Robert Cecil contended that the papers, having been cited, should be produced; but the Speaker declared that this rule applied to public documents only.

Mr. Pearson: Mr. Chairman, I will do my best to get the permission of the gentleman who wrote those letters so that voluntarily I can table them or have someone read them into the record. Because there is nothing in those letters which I would wish to conceal from the House of Commons.

If I may continue, after the arrangements suggested to us by the C.B.C. were found acceptable and we agreed to proceed with the film, I must say that I lived not for one day but for a great many days under the eyes of a camera and tape recorder, as was the arrangement we made with those producing the film. It certainly was a candid camera. I lived and talked normally when the tape recorder and the camera were on hand, as did those with whom I was meeting. All this, Mr. Chairman was, of course, on the understanding that the interview filming or the actuality filming or the candid camera filming would produce a great deal of raw material from which anything within the category agreed upon for revisionary suggestions would be excluded in putting together the actual film as it was finally shown the press, and which I repeat I have never seen, myself—which deals, I hope with another point raised by the hon. member for Bow River.

I assumed from the beginning, Mr. Chairman, not having been told otherwise, that the film was being produced by the C.B.C. But we discovered as the filming went on that the nature of the working agreement between the C.B.C. and Intervideo Productions was such that the latter were in fact the actual producers, as agents for the C.B.C.

I was invited, Mr. Chairman, in accord with the arrangements made with the producer in my office, and to which I have referred in the letter, to see the first assembled version of the film, the first draft, on December 26 in Toronto, where I had been spending Christmas. And I did see that first draft; I said that in the house. That was not the film as it was finally produced and shown to the press.

Some hon. Members: Oh, oh.

Mr. Pearson: It was not the film; it was the first draft. I have never seen the final draft. It is apparently on that distinction between the first draft, which I saw and which was greatly changed, and the final draft, which I did not see, that the hon. member for Bow River based his charge that I should resign, and I am sorry to disappoint him once again.

As a result of seeing the rough first draft in Toronto, Mr. Chairman, I asked a member

of my staff, in accordance with the arrangements suggested to us by the Canadian Broadcasting Corporation, to bring to the attention of the producer certain sequences and tape recorded remarks which, in my view, were inappropriate and should be revised. They were in the categories for revision agreed upon. They were inappropriate because they were too personal, and there were one or two others which referred, in conversations with ministers, to matters which I thought should not be made public. They were under discussion, for one thing, in the House of Commons at that time. We were told by the producer for the C.B.C., we thought, that consideration would, of course, be given to these suggestions.

There was then a second review of the film in Ottawa, which was seen by members of my staff but not by me, a short time later, some time in January. Certain of the deletions which I had brought to the attention of the producer had been made; other deletions had not been made. The ones which had not been made included one which was a jocular and very personal remark made to me by Mrs. Pearson, who indeed did not realize when she made the remark that she was being filmed. It was a very personal remark. Second, there was a conversation with the Minister of Labour about the longshoremen's strike which was held in my office, and which I thought should not have been shown in the film. We had asked that this be taken out in the first instance, but it was not taken out of the second draft. Third, there was a reference to the Leader of the Opposition by the Clerk of the Privy Council. Mr. Robertson's comment was perfectly proper and entirely respectful in its mention of the Leader of the Opposition; but because it did mention the Leader of the Opposition by name I considered it to be an example of the type of remark and discussion taking place on a confidential basis which should be subject to revision and control, and which should not be included in the film; and that was not taken out.

These matters were brought to the attention of the C.B.C. and they were asked to reconsider the first suggestion that they should be excluded. They thought that this could be done at the time, and I was assured in January that there would be no special difficulty in meeting these suggestions, which were recognized to be, as I thought, quite reasonable.

There was a viewing of another revision of the film on January 21 in an office in the east block. This was not the film as later shown, but another revision. I saw part of this edition. It was the last version of the film I saw, and I saw only a small part of it because the sound and projection facilities were very bad. I also had to leave because I was going to Washington that afternoon to meet the President of the United States. I saw, however, 10 or 15 minutes of that version of the film. I learned when I got back that certain of the changes originally promised had, on the basis of that showing of the film, not yet been made.

On January 28 the director of the C.B.C. in charge of talks and programs of this kind wrote me, and again, Mr. Chairman, I would be very glad to ask him to allow this letter to be tabled. The director asked me to agree that the arrangements proposed by Mr. Ballentine in his letter of September 23, and agreed to by me as the basis on which this production would proceed, be now set aside and that the program be completed in accordance with the normal principles and practices of the C.B.C. However, in his letter he added that they and the C.B.C. always bore in mind that I was fully entitled to raise objections to matters appearing in the program that touch on your private life or involve incidents or conversations normally and properly regarded as secret. I did not object to that proposal made by the representative of the C.B.C. but I replied that before any formal decision could be made by me there should be a further clarification of the relations between the corporation and Mr. Ballentine, which we had learned were becoming difficult, and we wished to know how this matter stood in regard to that relationship. The C.B.C. accepted that position.

Then later, Mr. Chairman, the C.B.C. advised my office that they were anxious for us to see a print, as they put it, of the complete film. That was arranged for April 30, with three ministers and certain members of my office present. I was not there myself; I was not able to see that showing.

Mr. Nielsen: Who were the ministers?

Mr. Pearson: Mr. Martin, Mr. Sharp and Mr. MacEachen.

Mr. Knowles: Order.

Mr. Pearson: I am sorry to have transgressed the rules of the house, but they were referred to by name. They were the Secretary of State for External Affairs, the Minister of Labour and the Minister of Trade and Commerce, as well as the members of my office, for whom I take full responsibility—

and I do not wish to drag names of people into debates of the House of Commons when they cannot defend themselves.

Some hon. Members: Oh, oh.

Mr. Pearson: I should like to observe that in this respect the conventions have always been adhered to in the past in this regard, and if there is to be criticism of people in my office, that criticism should be directed at me, not to officials by name who cannot defend themselves in the house.

Mr. Diefenbaker: Was there anyone outside the staff of the Prime Minister's office?

Mr. Pearson: I will continue, Mr. Chairman.

Mr. Diefenbaker: Yes, because you do not want to answer. What about the gentleman up there in the diplomatic gallery; was he present?

Mr. Pearson: I wish my right hon. friend would not get so indignant and so impatient. If he would only just simmer down a little bit—

An hon. Member: Just tell us the facts.

Mr. Pearson: —as I will be expected to simmer down when he speaks. This was a perfectly normal procedure. The C.B.C. invited us; indeed, they asked us to see this completed print, and as the film focused so closely and confidentially, and indeed searchingly, on the office of the Prime Minister and on the processes of the government, I asked two or three of my colleagues to see it. I wanted the Minister of Labour especially to be there, because he had been photographed and tape-recorded particularly in talking with me. The ministers made varying comments on the film, but no view was expressed to the C.B.C., then or subsequently, as to the showing of it. I repeat that I did not then see, nor have I subsequently seen, the completed film.

On May 6, just after 9 a.m., the C.B.C. representative phoned a member of my office staff that the film was not to be shown; a decision, he said, taken by a panel of senior C.B.C. officials after watching a special viewing of the film.

Mr. Nielsen: After, or before, cuts?

Mr. Pearson: This was the film that was shown at the meeting I have just mentioned.

Some hon. Members: Oh, oh.

Mr. Pearson: That decision was told by the vice president of the Canadian Broadcasting Corporation to a reporter of a Toronto newspaper on May 20, and I quote from the report. Mr. Fraser, the vice president, said:

> The film is simply not up to our standards.

That must have been very disappointing, after all the hard work:

> The decision was made by network officials in Toronto. The lighting was poor, the sound was bad ...the camera work was so erratic as to make me dizzy.

The man in charge of the production on C.B.C., Mr. Haggan, said, according to the same report—and it was in quotation marks in the newspaper—

> The decision not to show the film—

I want to repeat this. It has been put on the record but it should be put on the record again. This was said by the man directly responsible for the film:

> The decision not to show the film was made in Toronto, not Ottawa, and there was absolutely no government pressure...There is no question of censorship.

Some hon. Members: Oh, oh.

Mr. Pearson: This is from the official of the C.B.C. who was concerned with this matter, and if he said there was no question of censorship, Mr. Chairman, am I to be pilloried by hon. gentlemen opposite for saying there was no censorship?

Mr. Nielsen: Who asked for the cuts?

Mr. Pearson: There was no question of heads rolling in connection with this film, Mr. Chairman.

Some hon. Members: Hear, hear.

Mr. Pearson: That is an episode which will live long in the history of parliamentary relations with the C.B.C. On the same day, May 20, the vice president of the C.B.C. released the following statement. This is the official statement of the C.B.C. and it should, of course, be put on the record in its entirety, though it is well known, I am sure, to hon. members. This is the statement issued in Toronto on May 20, 1964:

> The C.B.C. has decided not to broadcast a filmed television program on a day in the life of the Prime Minister, entitled "Mr. Pearson—the Man and the Office".
>
> The program was filmed for the corporation by Intervideo Productions Limited of Toronto.
>
> C.B.C. senior program officials in Toronto viewed the finished print May 5, shortly after it became available to them, and decided it was unacceptable for broadcast, a decision concurred in by the program council and other senior executives.
>
> It is the corporation's decision that the film does not meet C.B.C. program standards. The camera work is distracting: the lighting and sound are

of uneven quality and often poor, and the editing is inadequate. These shortcomings are further aggravated by the problem of timeliness in some of the program content. The corporation recognizes it may have set a difficult objective for the film production and accepts its share of responsibility in this matter.

But there can be no sharing of decisions on what is broadcast or not broadcast. This is the corporation's responsibility. The program will not be broadcast because it does not meet minimum C.B.C. standards.

That was the formal decision made by the Canadian Broadcasting Corporation. Hon. gentlemen may challenge that decision if they will, but there is a decision in black and white. If the C.B.C. is to have a position of independence and prestige, which its importance deserves in this country, surely it is not helping the C.B.C. to challenge the validity and accuracy of a statement issued formally by them in respect of such an important matter.

Some hon. Members: Hear, hear.

Mr. Pearson: In view of the discussions that have taken place, the charges that have been made and the insinuations that have been levelled, the C.B.C. is now referring the matter to its board of directors, who have met or are meeting. They are being given, as a board of directors, an opportunity to examine, presumably, the whole matter. I am speaking as a private member of this house, and though I know the risk involved in any kind of interference in this matter, in view of what has happened and in spite of the risk which may be entailed, I hope that the board of directors of the C.B.C. decide that in the circumstances this film should be shown to the Canadian public. If they make that decision, it will be their decision. If this film is shown I hope, Mr. Chairman, that this will be the end of the matter and we can get on with the business of legislation in this house.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Chairman, the longer the Prime Minister spoke, the deeper became the mystery connected with the non-production of this film and the clearer it became that censorship was applied by the government or representatives of the Prime Minister. And let that be understood to begin with, because it is underlined everywhere.

I am going to deal with one of the meetings that he did not deal with; I shall do that a little later on. I am going to review some of the matters that he did not deal with, and understandably so. Censorship has been defined—and I take the dictionary definition here—as "control over; making excisions or changes". If ever there was a document that received the full treatment, the life of the Prime Minister as it was reviewed by Mr. Ballentine, by picture and voice, was such a document; but the Prime Minister and those associated with him did not desire it to be seen by the Canadian people.

As the Prime Minister spoke I could only conclude this; removing the smokescreens of personalities that punctuated his remarks, the Prime Minister is in the most difficult and trying position he has ever been in. He is embarrassed by his friends, embarrassed by his staff, embarrassed by his fellow members in the cabinet—and he is embarrassed because the facts finally came out when Mr. Ballentine revealed them. He said: Let us get on with the business of parliament. There is nothing more important, than that this house should assure that the Canadian Broadcasting Corporation shall not be a toy to be played with by the government of the day. The Prime Minister allowed this matter to drag on for two weeks before making a statement. He dealt very uncertainly with the contradictions and evasions pointed out by the hon. member for Bow River and the hon. member for Yukon. He glossed over the fact that he had in fact seen the film in question. He says now that it was not the same one that exists today. It was one of the earlier ones before the operations took place thereon.

Sir, his statement today was, to anyone listening to it objectively, one that constituted an admission of a series of things that are inconsistent with any other hypothesis than that the government did not like the image in "Mr. Pearson". That is very clear.

I am going to deal in particular with the various events that took place right from the beginning. There is a strange situation here. The Prime Minister admits that there was an arrangement made with Mr. Ballentine whereby the Prime Minister or somebody associated with him would have a right of veto over the material produced. Cromwell once said: "Paint me, warts and all". In their several meetings the present government said in effect: Paint me, but put nothing in that will in any way deteriorate the image that Madison avenue has endeavoured to create.

Sir, there were veto rights. The Prime Minister says that the reason for the veto rights was so that matters of secrecy would not be made available to the Canadian people. I ask, why were matters of secrecy being discussed between the Prime Minister and the members of his cabinet knowing that

not only were photographers and technicians present but that a record was being made? Surely that is a strange explanation. Certainly there should be no revelation of secrets, but why make them available by discussing such matters in the presence of these people?

The Prime Minister would brush this matter aside and say that there is really nothing to it. He would have us believe that it is a trivial situation and that parliament should not be wasting its time on it. I say immediately that censorship is clearly apparent, that interference with the C.B.C. was revealed by him in his remarks and that it is quite apparent that the reason for the suppression was the fact that the high officials of the C.B.C. realized that, to say the least, the government was not pleased with the production that was made.

What has been done here strikes at the very roots of the Canadian Broadcasting Corporation. If I had time I should like to quote what the Minister of Transport said on one occasion. In this case the C.B.C. has allowed itself to become the government's cat's-paw because the Prime Minister and those associated with him did not like what they saw. He said that the deletions were in the interests of security. I ask him, whose security was affected when these various words of pseudo-profanity were removed? What security was affected when the deity was reduced from four to one in mentions by the Prime Minister? Surely such nonsense as he endeavoured to place before us today is answered as one goes into detail regarding the several meetings that took place.

No censorship? What were the ministers there for? It must have been a most enjoyable film because there were 12 reviews. I have seen people go to the movies for the first show and stay for the second because they enjoyed the picture, but for one or other of these five ministers to see this film in its several repetitions is something else again. Was it because of the entertainment value? Were they there purely and simply for the purpose of trying to understand the nature of the picture and to recommend excisions that were based on secrecy? What they were trying to do was to bury something that they did not want seen by the Canadian people.

The facts would never have come out, Mr. Chairman, if it had not been for the revelations made in two Toronto newspapers. We know the facts and there has been no denial. I want to review these various meetings because there is one in particular to which reference has not been made. Throughout the Prime Minister's speech Keith Davey was present in the diplomatic gallery, which is an indication that he has a diplomatic interest in the discussions that are taking place on this occasion. Why his interest? Why his presence on the 5th day of April? Why the presence of these other ministers? Why these various screenings?

I think we ought to review first some of the screenings because they reveal a most interesting situation. The first of the political screenings took place in December. The Prime Minister's press secretary was there and also his appointments secretary, Mr. Coutts, who I am informed has emerged as a promising candidate for Hollywood, and the only one who did. Mr. O'Hagan was also there on that occasion, December 23, I believe. They were worried about sequences. I am not going into the particulars. There was worry about the Coutts car sequence. That had nothing to do with secrecy. It was a revelation, I understand, but it had nothing to do with secrecy.

On the 26th of December, Boxing day, again they gathered and there were present the assistant press secretary, James Reagan, the Minister of Finance, who is quite a judge of the aesthetic although I understand he just happened to walk in on the thing and was not really a party to the gathering, and the Prime Minister. We are informed that what the Minister of Finance saw regarding the Prime Minister did not fill that minister with the assurance and feeling that it should be reproduced.

Then things started to move. The Prime Minister endeavoured to have the house believe that there was no interference, no censorship. Why all these meetings? On January 6, 1964 another meeting was held at the request of Mr. O'Hagan, the press secretary of the Prime Minister, and there they really got the scissors out. There, they really pointed out what should be removed. They asked that a remark by Mr. O'Hagan about the Canadian Press, a remark by the right hon. gentleman about a former press secretary of the opposition leader, an unguarded remark by the Minister of Labour, a facetious remark by a lady, comments by the government chauffeur, be removed. On that occasion there was no censorship. It was said that there were rather too many references to the deity. They finally decided that one reference would be enough and the rest would go by the board. Was that in the interests of security?

Well, I would have liked to hear the remarks by the chauffeur, because they certainly could not have done anything. Then, there was a further one by Mr. O'Hagan. Did you ever see such anxiety on the part of a prime minister and those associated with him to see something that they were not going to interfere with? They just came to see, to listen. I hear the Prime Minister walked out on one showing because he said the tonal effects were such that he could not understand himself. I can only say, in the kindest way, that we have been in the same position this afternoon.

On January 21, there was a screening for the Prime Minister, but he walked out. He had to go somewhere, and I understand that. Following that, there were requests for more deletions. Sir, when the Prime Minister says, "We do not censor films on this side of the house", I wonder what it is. Was it an exercise in self-appreciation? Did they want to see themselves as others see them? Did something there not appeal to their finer, aesthetic sensibilities? Why these repeated showings?

On this occasion, there were a number of things, I think, that went out. One was the reference by the Clerk of the Privy Council to the Leader of the Opposition; one was the Coutts car sequence and the final deity was taken out altogether. You see, they are making progress. You can just see them, Mr. Chairman. There they sit.

I will come now to the Secretary of State for External Affairs, who had a notebook. We wish he were here. Then, there was the screening on April 5 in the east block. I should like to have been present in that cave of Adullam, when all of these disgruntled people got together. The Prime Minister said he would not give me the names because he was not going to mention his staff. I do not want to know about his staff. I do not want him to have to defend his staff. They were simply carrying out their responsibilities under his direction. There was no screening in his office. It must have been a great get-together over there, just like the beginning of a premiere. There was everything except the searchlights and the autograph hunters.

Who was present? There was the Minister of Trade and Commerce. I don't know whether he was trying to find markets abroad for it. There was the Secretary of State for External Affairs and Mr. Tom Kent. Of course, he is on the Prime Minister's staff. However, Keith Davey was not on the staff. What was he doing there? He was present on that occasion and he was in the diplomatic gallery today. What was he there for? I am sure it was not for the purpose in any way, according to the Prime Minister, of censorship. He was just there to enjoy himself. I hope he enjoyed himself more than the Prime Minister has since. Here was the whole office staff of image makers gathered together with their wives and secretaries.

Then, the Secretary of State for External Affairs decided that he had to do something in the interests of the observation of the international amenities. He looked the thing over, and he said: I object to these points. He said it conjured up in him feelings of regret, that there had been some mistake made. There were no politics in there, no censorship, but imagine a picture in which there were two particular views of Macdonald and none of Laurier. The Secretary of State for External Affairs said that was not proper. Then, Emperor Hailé Selassié came into it. Somebody said, is he the only emperor in the world today? I am informed that the Prime Minister said—this is all hearsay and if he says it did not take place I will immediately withdraw it with apologies—"I think there is another emperor in Cambodia; you cannot keep up with these things". They forgot altogether about the emperor of Japan, so out went any reference to Hailé Selassié in the form in which it originated. This was an amazing performance.

There was a discussion of profanity, and the Secretary of State for External Affairs was worried about the effect of that language on Presbyterians and Methodists. Mr. Chairman, it would be ridiculous in any forum; but this is a serious effort on the part of the Prime Minister and his cabinet, facing great issues in Canada, and they are worrying about the use of words that are in general use within our country. Then it is said, and again if the Minister of Labour says it did not take place I will accept his word, that the Minister of Labour has a discerning taste for things aesthetic. He was not shocked by what he saw. He said it was highly amusing. The Minister of Trade and Commerce said it was an astounding document. Apparently they did not have agreement in cabinet that day, because to others that which was astounding and amazing was neither.

Now, that is just a short record. I could place a great deal more on the record were I to choose to do so but I do not want to bring up anything further in this connection because my time is disappearing. But I do

say this to the Prime Minister on the basis of what he said today, that while his words denied censorship what he said admitted censorship in every sense of the word. I said a moment ago I was not going to quote the Minister of Transport, but I think I should. This is what he said on January 18:

> I may say that I fully subscribe to that view and I have, I think, in my private life and in my public life always been a supporter of public broadcasting for that reason, and for that reason only, because I do recognize the dangers of public broadcasting as they were manifest in some parts of Europe 25 years ago when some of us were rather younger than we are now, and as they still exist today in many totalitarian countries. This is potentially a very dangerous instrument in the hands of an unscrupulous government and it needs to be safeguarded in every possible way against control by the government as opposed to control by parliament itself in which people are freely elected whether or not the people who elect them like the government.

Sir, can anyone deny that the 12 showings were held, the multiplicity of showings, without the government having pointed out that they did not like what they saw? They admitted they tore it asunder. They did not remove—no; they asked, they suggested, they publicly stated in these meetings what they saw wrong in what was taking place.

Sir, it is a picture that is hard to understand. The Prime Minister said he did not have anything to do with it, that it was not he who asked to see it. I point out that on December 24 Mr. McLean of the C.B.C. had a request from the Prime Minister to see the film and it was stated he could see the film on Boxing day. Sir, all the way along, all through the piece, the Prime Minister was there examining, either in his own person or through the means of those of his staff. He cannot get away from that.

Why was it cancelled out? Well now, just a nod from the government might have its effect, but a continuing campaign of 12 meetings of condemnation and of suggestion could not leave the C.B.C. in any other position than, to use the immortal words of the Secretary of State, "heads might roll".

Why all these meetings? On May 7, after all these peregrinations back and forth, in Toronto, in Ottawa, in the various locations here, Mr. Ballentine wrote a letter to Mr. Alphonse Ouimet and asked about this and he received a letter, according to what he says, simply reading "Mr. Ballentine"—without "Yours truly" even added, stating the film did not meet with C.B.C. programming standards, that the camera work was distracting and that the quality of editing was inadequate. They did not find this out until ministers gathered together over and over again and looked upon what they saw, and were not pleased.

Sir, why was this stopped? On May 5 Mr. Ballentine was called into Mr. Haggan's office—and a more reputable man there is not anywhere to be found—and told the telecast had been scheduled for June 25. Later that day the final decision was made that it be not shown, and later on Mr. Haggan telephoned Mr. Ballentine and said he wanted to screen it one last time for his superiors, one last screening after all the screenings, and the screenings, and the screenings, and the screenings multiplied several times.

They had this screening in Toronto, attended by the top C.B.C. programming people, and at nine o'clock that night Mr. Haggan telephoned Mr. Ballentine and said the program officials in Toronto and Ottawa had decided not to have the film run. If ever there was a flagrant interference with the C.B.C. this is one, and all the Prime Minister does is endeavour to bring along a number of smokescreens. He did not answer this. He gave no explanation whatever regarding all these interesting revelations that were being made.

He told us today that any excisions were to be made on the basis of security. I ask this again as I did earlier, whose security? As I look at the government opposite and I see them as they join together, the security that they had in mind, as they interpreted the national security, was their own political security and nothing else.

From beginning to end the story is one that is now worse than it was following the explanation of the Prime Minister. Why did he have the head of his national Liberal organization present? Was that in order to assure security? I would like to have an answer to that. He talked today about calculated malevolence. Bringing forth the facts is not malevolence, but the discharge of constitutional responsibility. It is always the case that when people find themselves in a serious position, as he and those associated with him do, they resort to that type of personal abuse that was levied against the hon. member for Bow River and the hon. member for Yukon.

Sir, I could say a great deal more but I simply set out in very terse detail the sinuous course taken by this government, and it got found out.

The Prime Minister said no pictures were taken in the cabinet. Well, all I have to say is that I would like to have this matter brought before a committee of parliament

and Mr. Ballentine given the opportunity to give evidence. I must accept what the Prime Minister says, but Mr. Ballentine says it took place.

Mr. Ballentine, if he is correctly reported has said:

> Shooting now continued in Ottawa, at the Prime Minister's home, in his office, in his private limousine as he drove to the east block, at a meeting of the cabinet in the privy council chamber.
>
> This last occasion was on the day after the Ontario election and all members of the cabinet spoke for about 15 minutes on the political implications of that event.

It will be recalled that one or other of the ministers took a prominent part in that connection, and it was on that occasion the pictures were taken, according to Mr. Ballentine.

> Later that day Mr. Pearson asked Mr. Ballentine not to use the cabinet sequence since his colleagues were shocked at the idea of their remarks being recorded for television. The producer assented.

If Mr. Ballentine is correctly reported, then all I can say is that I am surprised he would not know the difference between four or five ministers in the Prime Minister's office in the east block, and a whole lot of ministers in the privy council office. But that is not what the Prime Minister says, and I would like to hear the views of Mr. Ballentine in this connection. In order to get to the bottom of this and get the facts we have to have his story and know what has taken place.

Now I pass on for a moment and I refer to what happened on June 18. In this city a group of young men known as the Confederation club announced they were going to show something of what had taken place by revealing the particular print that they had. So far as the film negative is concerned it is held in escrow in Toronto by Pathe News, or some of those organizations.

Who interfered on this occasion? Was Mr. Ballentine advised that he would not be allowed to do this? Was he told he would be refused permission to use the film that belonged to him? Why was that done? Is it not further evidence of the suppression that is characteristic throughout the entire period of this continuing performance? It was not 60 days of decision; it was eight months of indecision. I think that is the number of months that it was before one group or another. It started in September. It went on for several weeks. The climax was on October 7, the day the Prime Minister had the pictures taken in his office. What happened in all those months? Why the change? Why was it that for the first time, late in May, the order was given that this film was not to be produced?

Now what about it? The Canadian people have a right to see, not the expurgated edition, not the excised edition, not the edition to which scissors under the direction of ministers have been taken; the Canadian people have the right to see this film as it was originally produced, before so much of it found its way on to the cutting floor. What has taken place here is a serious act of censorship.

I cannot understand it. Last evening, on the national television network, the C.B.C., there was not one reference to what took place yesterday. Not a word. Why? Why was there nothing in this regard? What took place is just as serious as censoring a newspaper article of which one does not approve. Indeed, it is immeasurably worse, because this is a government corporation. Do you mean to tell me, sir, that the Minister of Finance and the Secretary of State for External Affairs and the Minister of Trade and Commerce and the Minister of Labour and the Prime Minister and the members of the Prime Minister's staff and Keith Davey are able to fill the positions of producers and directors, adding here, snipping there, chopping somewhere else—all for artistic considerations or for security purposes? That is what the Prime Minister said. I do not intend to quote what the Minister of Finance was alleged to have said. But I can imagine what happened in the C.B.C. when word came to them: "Paul does not like it." I can just see the fluttering of the dovecots as they began to realize that the Secretary of State for External Affairs thought something was wrong.

Be that as it may, this film should be restored, and what the image makers tore asunder should be replaced and put together. To do otherwise, to produce what has been revised, to produce what has gone through the hopper of governmental disinfection, is not what we are entitled to expect. What we are entitled to see is the film which was originally produced, subject to one consideration—that if there is anything at all affecting national security, no one would ask that it be produced.

On the other hand, what decisions, what legislation, what planning on the part of the Prime Minister and cabinet ministers could possibly justify the discussion of security matters in these circumstances, whether in the cabinet room or in the Prime Minister's office?

Some hon. Members: Hear, hear.

Mr. Diefenbaker: That was one of the most serious revelations made this afternoon. I can understand the Prime Minister's feelings in this situation. All of us have a great deal more hindsight than we have foresight. He laid the foundations for what he wanted. The private secretaries, the executive secretaries and the president or the chairman of the national organization had their ideas. The C.B.C. made a mistake when it accepted the veto right of anyone in that agreement which was entered into and accepted by the Prime Minister. I should like to see the letter which was written to him by Mr. Ballentine in that connection or on his behalf.

The picture was produced. I can just see them. How they must have enjoyed it. They asked: Show it over and over again; give it to us again. And every time they looked at it they had a few more qualifications to make, a few more subtractions, a few more diminutions. Finally, even what was then produced did not meet with the high standards of the government. They saw much wrong in it; they saw things in it which were detrimental to the national security—which I define as being the political security of the Liberal party, translated into higher spheres by the Secretary of State for External Affairs.

There has not been a more serious matter before parliament than this. Now the board of governors is meeting. What a dish of crow has been handed to them. Mr. Ouimet says there has been no improvement in the technical qualifications of the film. Yet now, because, as he said, there are larger matters to be considered, he has placed this question before the board. These are his words:

> The corporation must at all times be careful not to confuse political matters with questions of broadcast responsibility.

That is what this government put the corporation in the position of doing. With respect to the present situation it does not appear to the corporation that parliament has clearly indicated a view.

Then he says this:

> The corporation has already taken a broadcast decision with respect to this film. That decision was based solely on the professional broadcasting standards of the corporation which are used to judge such matters. The film has not changed and the standards have not changed.

I accept that statement. Then I ask: What were you people doing there? What were you doing there with this great coterie and retinue, with all the staff surrounding you? I end with these words from the quotation:

> Consequently, the corporation must determine whether more compelling factors now exist in the realm of the public interest.

What are the more compelling factors? The most compelling up to date has been the interference on the part of this government. What is more compelling than that?

Mr. Fisher: May I raise one point in connection with the tabling of the letters?

The Chairman: Is it agreed that we sit beyond six o'clock?

Some hon. Members: No.

Mr. Fisher: It is not an argumentative point. I merely wish to point out that on Wednesday, June 17 the house passed an order that these particular letters be produced. I would suggest to the Prime Minister that this would give him an opportunity to table the letters today so that they may be on the record.

Progress reported.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, June 25, 1964

The house met at 2.30 p.m.

PRIVILEGE

MR. WINKLER—OFFER OF CO-OPERATION IN PASSING STUDENT LOAN LEGISLATION

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I rise on a question of privilege. I wish to bring this matter to the attention of the house and the country because of a statement issued by the Prime Minister this morning over the C.B.C. with regard to legislative matters to be brought before this house, and because of a presentation that was made in a non-political fashion to the members of parliament shortly before the opening of the house today.

The Prime Minister, I believe, suggested that a measure covering student loans would be introduced prior to a summer recess. I bring this question forward because of its importance. If the Prime Minister is prepared to present this legislation to the house, we will offer our co-operation in its passage immediately.

CANADIAN BROADCASTING CORPORATION

FILM ON PRIME MINISTER—TABLING OF LETTERS

Right Hon. L. B. Pearson (Prime Minister): I should like to table copies of the letters to which I made reference in my statement in the house yesterday about the television program.

DECISION ON SHOWING OF FILM ON PRIME MINISTER

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I have received the decision made by the Canadian Broadcasting Corporation on the film entitled "Mr. Pearson" and I should like to communicate it to the house. It is as follows:

The directors of the corporation at their annual meeting have carefully reviewed those aspects of the rejected television film "Mr. Pearson" which are directly its concern:

(1) The broadcasting or professional decision not to show the film, and

(2) Whether compelling factors now exist which would outweigh the corporation's operational standards and judgment.

The corporation has made its decision on the basis of the full responsibility in programming matters delegated to it by parliament. There are three basic elements in the decision:

(1) The film remains unacceptable for showing on the basis of broadcast standards.

(2) The corporation is satisfied there has been no political interference.

(3) Though an interest in the film has been stimulated in segments of the public, nevertheless the corporation does not judge the broadcasting of the film to be warranted.

The corporation's decision is not to show the film or parts thereof.

COMMONWEALTH RELATIONS

CONSIDERATION OF MATTERS TO BE DISCUSSED AT PRIME MINISTERS' CONFERENCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, with the approach of the commonwealth prime ministers' conference I would like to ask the Prime Minister whether an opportunity will be given to the members of the house to present, in general, their views regarding commonwealth matters and such questions as in the ordinary run of things would come before that conference. I know that on previous occasions this has been done, and I think it is most beneficial for the Prime Minister to have the general consensus of the views of the house respecting those matters that will be discussed.

Second, in that connection would the Prime Minister say whether the government of Canada would support the setting up of a committee or commission, representative of commonwealth countries, to give consideration to the serious situation that prevails today in British Guiana, a matter that naturally is not one for the United Nations, as it is distinctly an internal one, but is of great importance to the commonwealth?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, regarding the first suggestion made by my right hon. friend, I shall be glad to give consideration to that possibility. Regarding the second suggestion about a commonwealth committee being set up to consider such questions as British Guiana, I

think we would have to reserve our opinion until the forthcoming conference has met and we have ascertained the views of the United Kingdom government, which is responsible for the administration of that colony.

Mr. Diefenbaker: Might I ask whether any discussions have been going on between the United Kingdom government and the government of Canada and other governments within the commonwealth in connection with British Guiana. I am not asking for particulars. I realize these communications are confidential, but would the Prime Minister be able to say whether such a suggestion has been placed before him or had received any consideration?

Mr. Pearson: Well, Mr. Speaker, of course there have been messages received from the United Kingdom government about conditions in British Guiana which, as my hon. friend knows, is customary in matters of this kind in regard to commonwealth exchanges. To my knowledge no specific request has come in from the United Kingdom government to consider any machinery of the kind suggested by my right hon. friend, but one may have come in within the last day or two to the Department of External Affairs. If so it has not been brought to my attention yet, but I shall look into the matter.

EXTERNAL AFFAIRS

SOUTHEAST ASIA—CANADIAN POSITION RESPECTING U.S. POLICY

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. In view of the newly announced policy of the United States with respect to Viet Nam and the situation in Southeast Asia, and the fact that this may result in a confrontation with mainland China, will the Canadian ministers who are in Washington today inform the United States government that Canada dissociates itself from this policy and that we will accept no responsibility for any repercussions which may follow such a policy?

Right Hon. L. B. Pearson (Prime Minister): Well, Mr. Speaker, the Canadian ministers in Washington today will undoubtedly be receiving reports from the United States government on this subject which is of such immediate interest to all countries. I hope the Secretary of State for External Affairs will be in a position, perhaps tomorrow morning, to report on these discussions generally. The Canadian government has no commitment to Viet Nam except that of our membership in the United Nations, and we would wish to discharge our obligations in that regard to Viet Nam or any other country in the light of our obligations under the charter only.

Mr. Douglas: Could the Prime Minister give the house his assurance that the Canadian ministers in Washington have been instructed not to make any commitment on behalf of Canada with respect to either South Viet Nam or any of the countries in southeast Asia?

Mr. Pearson: I can assure the hon. gentleman that the Canadian delegation will make it quite clear that we are not extending our commitments in that area beyond those we have undertaken as a member of the United Nations.

MALAYSIA—REQUEST TO COMMONWEALTH GOVERNMENTS FOR ASSISTANCE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I wish to address a question to the Prime Minister. In view of the recent breakdown in talks between President Sukarno of Indonesia and Premier Abdul Rahman of Malaysia, and in view of today's announcement by Deputy Premier Mikoyan in Indonesia that Russia will be supporting Indonesia with military equipment, would the government consider giving an answer to the call of the premier of Indonesia for commonwealth help to this critical area of the commonwealth?

Right Hon. L. B. Pearson (Prime Minister): We have had the advantage of exchanges of views with the premier of Malaysia, who has put the point of view of his government to us, and we are hoping that he will be paying a visit to Canada in July. At that time we shall be able to discuss all these questions with him personally.

CYPRUS—REQUEST FOR STATEMENT ON PRESENT POSITION

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State for External Affairs. In his absence I should like to direct it to the Prime Minister. In view of press reports at noon today that the United Kingdom Cyprus contingent is to be cut in half, will the Prime Minister request the Secretary of State for External Affairs to make a statement to the house on the Cyprus

situation so that all of us may be brought up to date as to what is going on in Cyprus and, in particular, as to how the usefulness and effectiveness of the United Nations force will be affected by the withdrawal of more than 1,000 United Kingdom troops?

Right Hon. L. B. Pearson (Prime Minister): I will be glad to ask the Secretary of State for External Affairs to bring the house up to date on this matter. Within the last 24 hours he has had the advantage of a talk in New York with the president of Turkey. In the light of that talk, in the light of any discussions he may be having in Washington, and also in view of the reports which have been received from London, I agree that it would be proper to make a statement at the earliest possible date.

Mr. Nesbitt: In view of the change in United Kingdom policy and its effect on the United Nations Cyprus force, is the government reassessing Canada's role in Cyprus or considering making any change in our commitment to the United Nations in this regard?

Mr. Pearson: We are not contemplating any change at the moment in our contribution to this force.

[*Later:*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, arising out of the Prime Minister's reply to my hon. friend for Oxford, that Canada does not at the present time intend to extend its commitment in Cyprus, has the government of Canada received a request for additional staff officers and headquarters troops in the event that Britain withdraws her forces in this particular sector, as was suggested in the British press last week?

Mr. Pearson: Mr. Speaker, I will be glad to look into that matter. There may have been a request for a few additional staff officers in certain contingents, but I am not sure. I shall look into the matter right away.

HOUSE OF COMMONS

REPORTED STATEMENT BY OPPOSITION LEADER RESPECTING ELECTION

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, under standing order No. 39 we are allowed to direct questions to ordinary members about a public matter connected with the business of the house and in which some members may be concerned, and accordingly, I wish to ask the leader of the official opposition (Mr. Diefenbaker) if it is true he stated last night that general elections could be called in Canada any day now and if he intends to see His Excellency the Governor General about that matter?

[*Text*]

Mr. Speaker: I must advise the hon. member that his question is out of order.

AGRICULTURE

APPOINTMENT OF MINISTER FOR EASTERN CANADA

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the deep unrest among Quebec farmers, which will find a dramatic outlet tomorrow when 10,000 farmers march on the parliament of Quebec, would the Prime Minister tell us whether he intends to reconsider his decision not to appoint a minister of agriculture for eastern Canada?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): The intentions of the government have been made known in this regard, and it is hoped that we shall be able shortly to bring in legislation which will provide for the appointment of a minister of forestry and rural development, but not for a special minister for eastern agriculture.

[*Translation*]

Mr. Balcer: A supplementary question, Mr. Speaker. Does the Prime Minister intend to appoint a minister who will at least be able to get on well with the Quebec minister of agriculture?

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): A supplementary question, Mr. Speaker. Could the Prime Minister delegate a federal minister to Quebec tomorrow as an observer, to attend the farmers' march on the parliament of the province of Quebec, since that might give him some ideas about increasing the income of the eastern farmer?

[*Text*]

Mr. Speaker: Order. The last two questions are hardly serious.

Inquiries of the Ministry

SUBSIDY ON GRAIN TRANSPORTED BY TRUCK

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct my question to the Minister of Forestry.

Following the decision which we took yesterday to refer to the committee on agriculture and colonization the controversial problem of the cost of feed grain in eastern Canada, is the minister in a position to tell us whether he will await the result of the study made by that committee on the matter before announcing whether he intends to subsidize the shipping of grain by rail as well as by truck?

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, I do not think it will be necessary to wait until the final report of the committee of agriculture on feed grain is received to take immediately appropriate steps in order to assist the transportation of feed grain by truck in certain areas of eastern Canada.

Mr. Lessard (Lake St. John): A supplementary question, Mr. Speaker. Is the minister in a position to tell us when he intends to announce this new policy to provide assistance to the transportation of feed grain by truck?

[*Text*]

HEALTH AND WELFARE

SMOKING—WARNING ON CIGARETTE CONTAINERS OF CANCER DANGER

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Has the attention of the minister been drawn to the fact that the United States government will require a warning on all cigarette packages and cartons after January 1, 1965 stating that cigarette smoking is dangerous to health and may cause death from cancer, and that a similar warning will be required in all cigarette advertising in the United States after July 1, 1965?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): My attention has been drawn to this, Mr. Speaker.

Mr. Speaker: Order, please. I realize the importance of this question, but is it so urgent and so pressing that it requires an immediate answer? I do not think so. Would the hon. member put it on the order paper.

[Mr. Speaker.]

Mr. Rynard: I bow to your ruling, Mr. Speaker, but I think it is important whether the minister does know and can take the necessary action.

Mr. Barry Mather (New Westminster): Mr. Speaker, I wonder whether I could raise the same subject but with more currency, which might possibly enable it to pass as a question. I wonder whether, in view of the United States government's decision as pointed out by the previous speaker, the Department of National Health and Welfare is already considering some similar recommendation to the Canadian government.

Miss LaMarsh: Mr. Speaker, I have of course noticed in the press and have had brought to my attention the newspaper articles regarding the United States action. I should like to say to the house and my hon. friends that the advisory committee set up by the government after the conference on smoking and health last fall has been looking into the question. It appears to be as much a question of whether the federal government can do it as it is whether to do it. At the moment the whole matter is under very active consideration by the advisory committee. When they make a report to me as to action or no action, it will be necessary to ascertain whether the federal government can take such action, and then to decide whether the federal government wishes to do so. I should like to say to my hon. friends, both of whom have shown a great interest in this matter, which I appreciate, that when government policy is decided it will be announced in the house.

FLUORIDATION—REQUEST FOR ENDORSATION BY PRIME MINISTER

On the orders of the day:

Mr. Joseph Slogan (Springfield): Mr. Speaker, I have a question for the Prime Minister, and I should like to say to him that I am not asking it facetiously but most sincerely. It is most timely inasmuch as the Canadian Dental Association is now meeting in Edmonton. In view of the statement by the royal commission on health services that wherever fluoridation has been adopted the saving in dental costs has been impressive and the reduction in human suffering equally great, and in view of the statement already made by the department of health, would the Prime Minister express his endorsation of this vital public health measure?

Mr. Speaker: Order. It strikes me that in its form the question is out of order.

[*Later:*]

Mr. Slogan: I have a question for the Prime Minister. When the federal-provincial conference on health services takes place, will the Prime Minister give consideration to sharing in the costs, with the provinces, of the installation of fluoridation equipment?

Mr. Speaker: This question is out of order.

LABOUR RELATIONS

BRITISH COLUMBIA—ACTIONS OF OFFICIALS OF S.I.U.

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I have a question for the Minister of Labour but in his absence I would put it to the Prime Minister. Will the Prime Minister draw to the attention of the trustees the present activities of Mr. Cunningham, a henchman of Hal Banks, and the contributions he may be making to further shipping strikes on the seaway and the west coast?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to bring that matter to the attention of the minister.

[*Later:*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I have a question for the Minister of Labour, but in view of the fact that he is not here I should like to direct it either to the acting minister or to the Prime Minister because the question is of such pressing importance that any delay could cause a tie-up in shipping on the Pacific coast.

Has the attention of the government been drawn to the situation surrounding the T.S.S. *Alaska*, a Liberian ship which is operated by United States owners who have been put under pressure by the S.I.U. to place all masters, mates and engineers under the control of the S.I.U.? This company has been threatened by Mr. Paul Hall of the S.I.U. in the United States that he will give them what he calls a "hard time" unless licensed personnel jobs are given to the S.I.U. This is causing picketing and a good deal of disturbance on the Pacific coast.

First, has this situation been drawn to the attention of the government? Second, is the board of maritime trustees aware of the situation and has this action been taken with their co-operation and consent? If not, what action do they intend to take regarding this matter?

Inquiries of the Ministry

Hon. Judy V. LaMarsh (Acting Minister of Labour): Mr. Speaker, I do not have any personal knowledge of this matter, but I shall see that it is taken up with the Department of Labour at once and whatever action is taken will be made known to the house.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): A supplementary question, Mr. Speaker. I received a wire similar to that received by the hon. member for Burnaby-Coquitlam. Would the Prime Minister personally look into this matter because of the serious situation in which Mr. Hall of the S.I.U. is apparently adopting arrogant and overbearing tactics in order to pressure those named by the hon. gentleman to join the S.I.U.? This is something that I think should be brought to the attention of the trustees immediately. It involves serious repercussions on the west coast, and there is a danger of them spreading. I ask the Prime Minister whether he personally will get in touch with the trustees today because this situation, uncontrolled or unmet by them immediately, can only lead to serious results.

Mr. Pearson: Mr. Speaker, I will be very glad to join with the Acting Minister of Labour in dealing with this matter at once.

Mr. MacInnis: A supplementary question, Mr. Speaker. In answer to a question put by me yesterday the Minister of Labour indicated to the house that he was well aware of and was in touch with the situation. Now we are informed by the Prime Minister that the matter is going to be brought to his attention. Where do we stand on this particular matter?

Mr. Speaker: Order. The hon. member for Lotbinière.

Mr. Harold E. Winch (Vancouver East): A supplementary question, Mr. Speaker, because this matter most vitally concerns the people of my riding and I have spent over half an hour on the telephone talking with those concerned. When the Prime Minister is making his investigation will he make inquiries whether this most serious action in Vancouver, so far as the shipping industry in concerned, was not taken under the authority of the trustees; and if not, how the situation could possibly develop without their knowledge or authority? Would the Prime Minister look into that?

Mr. Pearson: Yes, Mr. Speaker.

Mr. Diefenbaker: Mr. Speaker, if I may be allowed to raise a point of order, a moment

ago the hon. member for Cape Breton South asked a question. I do not think Your Honour heard the question he asked. This is a very important matter, and he wanted to know why it was that on another occasion it was stated that the matter was being considered but now the Prime Minister apparently has no information or knowledge of it.

Mr. Speaker: There must be a misunderstanding. I thought I heard only two statements and no question; that was why I interrupted. If the hon. member has a question perhaps he might put it now.

Mr. MacInnis: I will rephrase my question. How is it that the Minister of Labour, in answer to a question by me on this particular matter yesterday, informed the house that he was fully aware of and in complete touch with the situation on the west coast? I put a question to him about S.I.U. interference with shipping with engineers from Montreal replacing engineers on the west coast. The Minister of Labour said he was fully aware of the situation, but now we have the acting minister and the Prime Minister rising in their places and saying that they will make the Minister of Labour aware of the situation, in spite of the fact that yesterday he claimed he was fully in touch with it.

Mr. Pearson: This seems to be a different question from that brought up by the hon. member for Burnaby-Coquitlam.

BUSINESS OF THE HOUSE

MEASURES TO BE CONSIDERED BEFORE SUMMER RECESS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. My question is based on the words we heard from him this morning on the C.B.C. with regard to the business for the balance of this part of the session. I believe he indicated that the matters to be dealt with were the flag, the Canada pension plan, the family allowance measure and the student loan legislation. Is this the government's program between now and the recess, and will arrangements for parliamentary business be made so that these matters will be got through, particularly the family allowance and the student loan legislation?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I mentioned these as matters which should be dealt with before the parliamentary recess. No particular significance is to be attached to the order, nor was this list exclusive. I hope to make a statement on this matter next week.

Mr. Knowles: A supplementary question, Mr. Speaker. In view of the fact that three of these matters are not yet on the order paper—two are not there at all and one is not in its final form—will they be put on the order paper soon? I refer to the student loans and family allowance legislation and the latest version of the Canada pension plan.

Mr. Pearson: Yes, Mr. Speaker, we will be able to put the youth allowance legislation on the order paper today or tomorrow.

[*Later:*]

Mr. George Muir (Lisgar): I have a question for the Prime Minister which arises out of an answer he gave a few minutes ago concerning the youth allowance bill which he said was to be put on the order paper tomorrow, I believe. Would he also consider putting on the order paper the measure covering loans to university students, so this noncontentious matter can be dealt with and students wishing to attend university in the fall may be assured of adequate finances?

Mr. Pearson: The resolution on that matter will be on the order paper in good time to deal with it. I know how important it is.

FINANCE

TARIFF CONCESSIONS TO FOREIGN AUTOMOBILE MANUFACTURERS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I rise for the purpose of asking a question of the Prime Minister in the absence of the Minister of Finance and the Minister of Industry. It arises out of questions asked yesterday by the hon. member for Joliette-L'Assomption-Montcalm with respect to tariff concessions offered to the French firms Peugeot and Renault if they chose to open plants in Quebec. The answer generally was that government policy would not be announced; and as far as the Minister of Industry was concerned he stated that he had not received any communication from those companies.

I ask the Prime Minister this question. Has the government of Canada communicated with the minister of trade in the province of Quebec outlining the government's position with respect to these tariff concessions in the event that the manufacture of automobiles

by these companies commences in the province of Quebec? That information appears in the press, and parliament has not had it.

Second, is it a fact that officials of the firms in question have been meeting with federal officials within recent weeks in this connection?

Finally, has the ambassador of France been in consultation with officials of the Department of Industry or Department of Finance in this matter? I want to point out immediately, sir, that yesterday the answer was nebulous and uncertain. Today's press contains information which parliament has not had. Therefore I am asking the Prime Minister particularly to state what policy has been determined upon in this connection by the government, for parliament has the right to know.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to take that question as notice and give an answer tomorrow.

SUGGESTED ELIMINATION OF SALES TAX ON BUILDING MATERIAL

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a question to the Minister of Justice as leader of the Liberal members from Quebec?

Considering that the province of Quebec has 38 per cent of all the unemployed in Canada and the decrease in the building industry in this country, does the minister intend to put some pressure on the government to remove the 11 per cent tax on building materials, so as to stimulate the Canadian economy and promote building in Canada?

[*Text*]

The minister refuses to take his responsibility on this matter.

Mr. Speaker: Order. This question has been asked several times.

TRADE

FLOUR—REPORTED WITHDRAWAL OF EXPORT ASSISTANCE

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I wish to address a question to the Minister of Trade and Commerce, notice of which was sent to his office shortly before noon. Has the Canadian wheat board announced that export assistance to the Canadian flour milling industry in the amount of 6⅞ cents per bushel is being withdrawn? If so, can the minister tell us why this action is being taken at this time?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, this assistance, as the hon. gentleman described it, on the part of the Canadian wheat board is not a government subsidy. It concerns the price at which wheat is sold to the mills by the Canadian wheat board. As hon. members are aware, under the Canadian Wheat Board Act the Canadian wheat board is solely responsible for pricing, whether for the domestic or the export market, and does not ordinarily explain the changes which are made in these prices from time to time. However, I have taken notice of the hon. gentleman's question and will discuss it with the board to determine whether it feels that an explanation would be in the interests of the farmers, to whom the board is ultimately accountable.

Mr. Eldon Woolliams (Bow River): Mr. Speaker, a supplementary question, somewhat related to a question I was going to raise a few minutes ago. It is addressed to the Minister of Trade and Commerce. As we are nearing the end of the crop year I was wondering whether the minister could tell us today, or later if he has not the information with him, whether the full commitment under the contract between Russia and Canada as to deliveries of grain has been completed to this stage and, if so, will there now be open quotas for the farmers of western Canada?

Mr. Sharp: Mr. Speaker, my answer to a question from the Leader of the Opposition the other day explained that deliveries under the Russian wheat contract are ahead of schedule. The Russians are very happy, and I fully expect we will fulfil that contract well ahead of time. If we are still here around the end of July and I have an opportunity, I will bring the house up to date as to the position.

CANADIAN FLAG

CONSIDERATION OF SECOND PART OF RESOLUTION

On the orders of the day:

[*Translation*]

Mr. Rémi Paul (Berthier-Maskinongé-Delanaudière): Mr. Speaker, I should like to direct a question to the Minister of Justice, in his capacity of house leader.

Can the hon. gentleman assure the house that the examination of resolution 44B, to

adopt a second flag, the union jack, will be immediately followed by that of resolution 44A concerning the three-leaved flag?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, this matter comes under the organization of the business of the house and will be announced as the business of the house progresses.

[*Text*]

USE OF PROPOSED DESIGN IN ST. JEAN BAPTISTE PARADE

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, may I direct a question to the Prime Minister?

Did the right hon. gentleman have the occasion to watch on television yesterday the St. John the Baptist parade and, if so, has he noticed that the tri-leaf flag was leading the parade and has favourably impressed all Montrealers?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, and it certainly impressed me.

[*Translation*]

Mr. Jean Chrétien (St. Maurice-Laflèche): I merely wished to point out to the Prime Minister that the tri-leaf flag was carried by the cadets of Shawinigan South and was a gift from the member for St. Maurice-Laflèche.

Mr. Grégoire: I should like also to point out that the finest float of the parade, according to the press, came from the riding of Lapointe and was presented by the aluminum company of Arvida.

[*Text*]

TRANSPORT

GASPE—REQUEST FOR RECONSIDERATION OF RAILWAY CONSTRUCTION

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, in the absence of the Minister of Transport I would like to direct a question to the Prime Minister.

Is it the Prime Minister's intention to follow up the recent request made by Gaspe north chamber of commerce to the effect that the government should reconsider its position and carry out the construction of the Matane-Ste Anne des Monts railway and also extend by one year the expiry date of the bill, in order to help the Gaspe economy?

[*Text*]

Mr. Speaker: This is a question for the order paper.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I rise on a question of privilege.

At the time the former government was in power a bill was passed. This bill, which had been approved by all members, with the exception of the hon. member for Port Arthur (Mr. Fisher), provided for the building of a railway in the Gaspe peninsula. The present government cancelled that project, which is an infringement of the rights of parliament.

[*Text*]

Mr. Speaker: Order.

[*Translation*]

Mr. Pigeon: —the way it is done in Soviet Russia.

[*Text*]

Mr. Speaker: Order. If the hon. member is not satisfied with my judgment he has the privilege of raising the matter at ten o'clock.

ST. LAWRENCE SEAWAY—REQUEST FOR STATEMENT ON TOLLS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): I have a question for the Prime Minister. Has the government made a decision on the tolls on the seaway? When can we expect a formal statement in this regard?

Right Hon. L. B. Pearson (Prime Minister): I will bring this matter to the attention of the Minister of Transport and ask him to make a statement at the earliest possible date.

Mr. Bell: May I ask a supplementary question. Can we be assured the statement will be made in the house before July 1, so we will not have to read about the decision in United States newspapers?

Mr. Pearson: I will try to insure that the statement is made first in the house.

FLOODS

BRITISH COLUMBIA AND YUKON—STEPS TO ALLEVIATE SITUATION

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, yesterday I directed a question to the minis-

ter of northern affairs and referred him to a question I had previously asked of the Prime Minister. The minister undertook to provide me with an answer today. I see he is not in the house but perhaps his parliamentary secretary, who has been trying to catch your eye, might be able to catch the eye of the Chair now so I might have an answer.

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, I want to thank the hon. member for his anticipated co-operation. I might say that the question put to the Prime Minister by the hon. member last Monday had to do with whether any financial assistance has been or will be given to the government of the Yukon. When I was up in the Yukon ten days ago I put a question to Commissioner Gordon Cameron, and he assured me at that time that the damage was still within the resources of the territorial government, and to this date we have received no request from the Yukon for assistance.

I might say with respect to flood damage, Mr. Speaker, that we have been advised by telegram from the commissioner's office as late as yesterday evening that the Yukon and Klondike river levels at Dawson city have receded; that the damage still remaining is some flooding in the Anglican hostel and hospital; that sewer lines are being pumped out, and when the flood waters are completely receded the area will be disinfected. At Mayo, as the hon. member knows, the flood waters have again receded and the river is in its normal channel.

[*Later:*]

Mr. G. L. Chatterton (Esquimalt-Saanich): Mr. Speaker, in the absence of the Minister of Northern Affairs and National Resources can his parliamentary secretary answer the question I put to the Prime Minister on Monday last with regard to the dikes on the Fraser river?

Mr. Turner: Mr. Speaker, there was a breach in the dikes, as the hon. member knows, but the flood level of the Fraser is now down a foot from its peak. Although I do not have the latest report, I would hope that conditions are less critical than they were when the hon. member posed his question.

Inquiries of the Ministry

GRAIN

REQUEST FOR ADDITIONAL ELEVATOR CONSTRUCTION IN EASTERN CANADA

On the orders of the day:

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I should like to direct my question to the Minister of Trade and Commerce.

In view of the possibility that Russia may be buying less wheat from Canada, could the minister inform us whether extra elevators will be built in eastern Canada so that wheat orders may be delivered quickly and our high standard in foreign trade may be maintained?

[*Text*]

Mr. Speaker: This is a question for the order paper.

INQUIRY OF THE MINISTRY

On the orders of the day:

[*Translation*]

Mr. Auguste Choquette (Lotbinière): Mr. Speaker, I should like to put a question to the Minister of Public Works.

Following an urgent message I have received from St. Jean Deschaillons, in the riding of Lotbinière, I would like to know whether the minister is aware of the serious landslide which occurred in that community and whether he intends to take the necessary remedial steps, considering the seriousness of the situation?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I thank the hon. member for drawing that situation to my attention. I shall advise my officials immediately so that they may see to it without delay.

[*Text*]

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO RESIGNATIONS FROM PUBLIC AFFAIRS STAFF

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Secretary of State in connection with the announcement of the decision of the C.B.C. this morning. Can the Secretary of State inform the house whether he is aware of any resignations that have taken place from the C.B.C. public affairs staff and whether any further resignations are anticipated, if indeed there have been

resignations? If he cannot answer today, will he ascertain what the situation is and inform the house tomorrow morning?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I am not aware of any resignations.

Mr. Nielsen: Will the Secretary of State make inquiries and inform the house tomorrow morning?

Mr. Lamontagne: I will.

SHIPPING

EFFECT OF LOW WATER LEVEL IN GEORGIAN BAY AND LAKE HURON

On the orders of the day:

Mr. John Loney (Bruce): Mr. Speaker, my question is to the Minister of Northern Affairs and National Resources but in his absence I will direct it to his parliamentary secretary. Has the minister answered the communication he received from the Georgian bay development association dated June 16, 1964 with regard to the current low water levels in the lake Huron and Georgian bay area?

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, I will have to make inquiries about that.

Mr. Loney: A supplementary question, Mr. Speaker. As this communication refers to a letter to the Prime Minister dated April 28 and unanswered as of June 16, will the minister give this matter immediate consideration?

Mr. Turner: Since he is absent, I will certainly draw it to his attention.

SUPPLY

INTERIM SUPPLY

The house resumed, from Wednesday, June 24, consideration in committee of the following resolution—Mr. McIlraith—Mr. Batten in the chair:

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

[Mr. Nielsen.]

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a (schedule C), of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

Mr. Fisher: Mr. Chairman, there was something rather grotesque in the concentration of the house yesterday upon the Pearson film. I think it has been made even more grotesque by the decision of the C.B.C. today. I do not intend to carry on the discussion, but I want to place some questions before the Prime Minister. Yesterday the Prime Minister indicated that this was his first opportunity to speak in full on this matter. I think he started well, but in so far as the fulsomeness of the explanation was concerned, he began to run out well before the end of his speech.

I do not believe we will have a full explanation. I would predict, as a result of the repercussions within the structure of the C.B.C. that we have not heard the end of this. As a matter of fact it begins to look very much as though we have almost a duplicate of the "Preview Commentary" situation of a few years ago brewing. I hope if this should be the case we will have the matter referred to a committee rather more quickly than was the case at that time.

I wanted to raise this point with the Prime Minister. He indicated that there were two reasons why the film was screened for him and other members of his staff. One was the question, which I think we will all accept, of the secrecy of matters in relation to the cabinet and the Prime Minister's office. The other was the question of something that you may call good taste, that was the question of the personal selection that was involved in the television production.

I want to ask the Prime Minister this question. At the first showing did he have with him a professor from York University by the name of William Kilbourn? I raise this question because I understand Professor Kilbourn was with him. He is a man for whom I have a great deal of respect. As well as being a supporter of the Prime Minister he is considered somewhat of an authority on television, on the standards of television performance. I can quite understand that it might have been completely informal that Professor Kilbourn wound up seeing this particular film. I happen to know—the Prime Minister may wonder

where I got the information, but I got it directly—that Professor Kilbourn had an opinion after seeing this film. He had an opinion upon its worth, not in connection with secrecy or the Prime Minister's personal taste but on the basis of whether it was good television and a good projection of the subject.

I think this is something that runs through the whole matter. Many members of the house know that the national director of the Liberal party happens to be a friend of mine of long standing. I want to raise the issue that he was included also in the screenings that were given of this film. I ask the Prime Minister, how does this square with the two matters, the question of personal taste and the question of secrecy? I suggest to the Prime Minister that yesterday in his speech when he got toward the end he missed out entirely on the explanation for all the screenings.

I can only assume from his performance yesterday that he has what I can only call in order to get around the need for a name, the man from Prince Albert syndrome. He is obsessed, in some way, with the position and attitude of the Leader of the Opposition. It was revealed in his speech yesterday. For some reason this does not allow him to be completely open and direct about the details in connection with this particular film.

Mr. Pearson: Put it in your column.

Mr. Fisher: The Prime Minister has made a number of references to my column and television show. I appreciate these very much, but I am speaking here as a parliamentarian very closely watching this particular situation develop, and in connection with this film I want to ask the Prime Minister if he can see the possibilities in this light.

For some reason he withdrew his own personal judgment in connection with the matter some time before that final screening attended by the Minister of Trade and Commerce and the Secretary of State for External Affairs. For some reason the Prime Minister decided that he would leave the judgment to these colleagues of his and to those associates of his within his own office. I do not know why he did this, but I would ask him whether he can tell me in all candidness that these gentlemen did not form a judgment upon the merit of the film as it affected him as Prime Minister and leader of the Liberal party, and whether that judgment—I am not saying to the Prime Minister's knowledge it was communicated deliberately—whether he really believes that judgment made by that group or those associated with him was not given to Reeves Haggan, the director of public affairs of the C.B.C.

I would like to point out to the Prime Minister that his explanation yesterday began to run out of detail just where the Dennis Braithwaite descriptions of the incident began to get to grips with what I think are some very important things. I just want to take this extract from the second column and draw it to the Prime Minister's attention:

> In about half an hour,
>
> —this is after the screening—
>
> Mr. Ballentine and Mr. Haggan were called to Mr. O'Hagan's office, where they were told that everyone thought highly of the film. Tom Kent called it brilliant. However, it must be understood that there was some concern about it from a publicity and political point of view.
>
> Mr. Haggan said he thought it was sympathetic to the Prime Minister.

In other words Mr. Haggan, the director of public affairs, was arguing that the film should be accepted, that there should be some kind of seal of approval.

There is only one thing I could draw from this kind of group passing approval on it, and I am suggesting we have not had a clear explanation from the Prime Minister as to whether the judgment of this group, on this question of publicity from a political point of view, was not given to Mr. Haggan; and I would suggest, as I did two days ago, that Mr. Haggan as a good executive and good employee of the C.B.C. almost certainly let this opinion be known to his senior officials. I think this is the only explanation one can get of just what transpired, and I think the Prime Minister should tell us whether he does not believe this is possible, that this is likely.

We are prepared to accept the Prime Minister's statement that he was not guilty of political interference, but surely in the light of the two points he was trying to bring out all through yesterday's debate that he felt he had the right—and indeed he behaved as if he had the right, and he delegated the right to his associates—to judge the film on the question of his personal tastes and personal affairs and on the whole question of whether it was secret or not, he must realize that this spreads out and makes possible the judging of that film on the basis of what Mr. Braithwaite has called the publicity and political points of view.

I do not know whether we are going to get a key answer but I suggest that the Prime Minister—I shall not say would be well advised because that is presumptuous—might take it up with his staff and see

whether it was not accurate that Mr. Haggan, the senior man in C.B.C. relations respecting this film, was aware of the views on the part of the Prime Minister's associates to whom he delegated or apparently delegated the judgment, that they felt the film would be a poor one to show because of the publicity and political problems inherent in it.

The last point I want to make in connection with the Pearson film concerns the decision that the C.B.C. has taken not to show it. They have the right to make that decision, but I think it is a wrong one on two counts. Having seen the film I cannot accept that it is bad technically, that it is below normal C.B.C. standards. To my mind it was well above the C.B.C. technical standards, but that is my personal opinion.

I know there will continue to be an interest in this film. I would not like to suggest that the house should get into the position of asking the C.B.C. to go any further so far as putting it on television is concerned, but I certainly think that in the minds of almost all members of the house the whole question will not be at rest until they have an opportunity to view the film. I would like to suggest that some of us should make an arrangement to form a film society, because Mr. Braithwaite has prints, and I suggest that the Prime Minister would do very well, in the light of these people's comments, if he would become the honourary patron of the House of Commons film society. I am suggesting this with a certain amount of humour, but I hope we actually form a society so that we can see the film. I want to see it shown to back up what I have said on the record, that it is a brilliant film, technically excellent, and should be shown to the Canadian people; and I want my associates in the house, not only my associates over here but also on the other side, to form their judgment.

There is one other matter I want to touch on very briefly, a matter that may in a sense be related to this. This party I represent is very disappointed over the failure of the house to come up with some limitation upon debate, some formal arrangement. It is not proper for me to make any comments on the operations of a committee of the house, a committee that is presently sitting, but we are disappointed that that committee has not brought forward recommendations so we could have a means of negotiating limitation of debate.

On this point I would express some views to the official opposition. If it considers fairly, it will agree that minor parties in the house have more to lose from a limitation upon debate than the official opposition itself. The Leader of the Opposition has unlimited time to speak. He has the first opportunity to speak, and in any kind of ratio we have worked out in recent years the official opposition of the day, whether the Liberal party in opposition or the Conservative party in opposition, has done well—I will not say unfairly well, but fairly well—in the ratio of speakers. I put it to the official opposition that if anything the people who should worry about a restriction and time limit on debate, particularly on legislation, are the members of our party and our colleagues to our left.

I would ask the official opposition, particularly the Leader of the Opposition, in appraising this matter which I think is the most vital before parliament in so far as parliament's own good health is concerned, that they look more favourably than they have so far on this question of limiting debate. I think it is absolutely essential if we are going to resurrect the health and I think the life, if you want, of an institution that is not very favourably situated at the present time. Even if we do not think so, many people out in the country feel this is so.

We would like to close our remarks—and I say "we" because I am speaking for my colleagues—by putting to the Prime Minister that we feel he has not taken a strong hand in leading discussions and in presenting possibilities in connection with the matter of limitations upon debate. We can understand the fear which exists in the mind of any alert politician with regard to the whole question of closure in the light of what happened in 1956 and thereafter, but I should like to point out to the right hon. gentleman how much the climate and attitude have changed since then. I remember in 1957 arguing with my colleague, the hon. member for Winnipeg North Centre that we needed limitation of debate negotiated in the same way as in the British parliament. He disagreed very strongly with me. He felt this was really a denial of what we were setting out to do. I think it will be agreed that the hon. member for Winnipeg North Centre has changed his mind. He now feels as I do on this question, which is perhaps the most vital of all the points to be considered in connection with the reform of parliament.

I suggest that the Prime Minister has never, except in the loosest or vaguest way, put forward anything in the nature of a formula or plan by which we could move toward this

objective. He is probably saying "Why should I get involved in something like that?"

Mr. Pearson: We have done so. We set up a committee.

Mr. Fisher: When has the Prime Minister ever put forward publicly and in this house an effective way of doing it? I have not seen it or heard of it.

Mr. Pearson: Perhaps the hon. member would allow me to answer that question now. I put forward four proposals to expedite and make more effective parliamentary procedure when we were in opposition in the last parliament. I put those four proposals forward after we formed the government. I advanced a proposal to set up a committee to look into parliamentary procedure. We put a cabinet minister to sit on that committee with instructions that he should support every proposal which would expedite and make more effective the business of this house.

Mr. Fisher: Well, in our opinion that has not been enough, and I will tell the right hon. gentleman one of the reasons.

Mr. Pearson: You blocked every motion.

Mr. Fisher: This is the key. What we need in this problem is good faith.

Mr. Pearson: Hear, hear.

Mr. Fisher: We need good faith in connection with this matter and the Prime Minister, as the senior person in this house, has not been able to engender that good faith.

Mr. Pearson: Quite right.

Mr. Fisher: I say this is a responsibility which rests upon him. It is not enough for him to say he has put forward four proposals. If this parliament wishes to achieve these objectives, something more aggressive has to be done and, I suggest, something much more friendly than the Prime Minister has come forward with as yet.

I should also like to suggest something further. If we are to get over these limitations and if we cannot get co-operation after a fair effort, then another responsibility rests upon the Prime Minister; that is to begin to consider other means by which the results can be achieved.

Mr. Pearson: Quite right. Put it on the order paper.

Mr. Fisher: You extend the hours of sitting. I remember I myself once had the honour of having a motion accepted in this house to extend the hours of sitting, and the right hon. gentleman will remember what happened as a result. We just got the longest *Hansard* in history, and I do not think we got out of here any sooner. I am wondering whether the same thing is likely to happen as far this motion is concerned.

My proposition on behalf of this party is twofold. First, we want more co-operation from the Prime Minister in working on this problem, and if no solution is apparent in the next few weeks we think the Prime Minister then has to begin to consider the other steps —and I think they are obvious; I think we have a tradition in this regard—

Mr. Pearson: Will the hon. member tell us what they are?

Mr. Fisher: They have existed since the time of the debate on the naval bill before the first world war.

Mr. Diefenbaker: Bring in closure?

Mr. Knowles: You are not speaking for all of us now.

Mr. Fisher: My hon. friend from Winnipeg North Centre "You are not speaking for all of us now".

Some hon. Members: Oh, oh.

Mr. Pigeon: You have a split, eh?

Mr. Diefenbaker: Can they settle their dispute between them before they tell us what the policy is?

Mr. Fisher: The point here is that I am not taking it upon myself or upon my colleagues to set out a policy. I am suggesting that if the Prime Minister, who has the power, wants to achieve the legislative program he talks about there is an ultimate responsibility upon him—

An hon. Member: That is not very friendly.

Mr. Fisher: An hon. gentleman says it would not be very friendly, but that is the challenge to the Prime Minister. It is he who has undertaken to get through this legislative program. It is not moving very well. He is having a great time blaming everybody else, and I suggest that if he cannot obtain the kind of co-operation which results from negotiation on the basis of good faith then he has to consider other means, whether friendly or not, of achieving his purpose—

Some hon. Members: Oh, oh.

Mr. Fisher: The very reaction one gets in connection with this subject indicates the timidity in the thinking of hon. members over there. It is not the responsibility of members of the opposition to suggest the

introduction of closure, but I say it is about time this government began to think about doing something like that.

Some hon. Members: Oh, oh.

Mr. Fisher: Let us put it this way.

Mr. Herridge: I object. I object.

Mr. Diefenbaker: How about a caucus?

Mr. Fisher: Obviously I have not been exact in my phrasing. I want to make it very clear that there is a responsibility vested in the Prime Minister to get the business through this house. The Prime Minister has been having a fine time blaming everyone else for the slowness with which we have proceeded. I should like to suggest that if he cannot achieve the reforms which many of us feel are needed, he should consider those other responsibilities which rest upon him.

Some hon. Members: What?

Mr. Fisher: I have already indicated what those other measures are. Never mind. I am very sorry if my colleagues fear that I was advocating closure.

Some hon. Members: Oh, oh.

Mr. Fisher: Well, let us consider the other possibility. What is this other possibility? It is the dissolution of this parliament and the holding of an election. Those are the three possibilities. I personally—this is a personal preference—would prefer the third one, because I am not convinced that this government or this Prime Minister are ever going to act with the kind of resolution which would enable them to use the other thing in this connection. I just want to leave this issue before the house as a whole, this being a debate in which anyone can discuss the matter, because I think it is very obvious that we are fighting back and forth without really achieving the legislative program we should.

Just before 2.30 today a number of us met with a group of Canadian students, members of the Canadian union of students who are anxious to have certain legislation put forward. I am not trying to read anything into their attitude, but it appeared to me they were cynical and sceptical to a marked extent about the capacity of this parliament to get on with this legislation and get it through in any reasonable time. I suggest that when an attitude of this sort is abroad in the country among such a group as this, the Prime Minister should begin seriously to consider means of getting down to the implementation of measures such as the student loan bill, because it is evident that parliament is not handling these things very quickly.

Mr. MacInnis: Would the hon. member permit a question? Does he have in mind the statement made by the Minister of Finance on a national television broadcast, when he said "the Liberal party has the program and the platform and we think we have the leader"?

Mr. Fisher: I do not think I need to comment on that. I believe the house knows my views.

Mr. Cashin: I should like to take a few moments of the time of the committee in order to comment on the extraordinary situation I witnessed a few moments ago. I listened to an hon. member saying that he did not want to take very much upon himself. It seemed to me that he had taken a great deal upon himself in giving advice when he evidently did not even have the support of his own party.

Mr. Peters: Everyone in this group has the support of the party.

Mr. Cashin: In that particular group over there it would seem that if there is one man who does not have their support, it is their deputy leader. He talked about co-operation, and as I watched the reaction of his colleagues there seemed to be a great lack of co-ordination in their view. The point I would like to make is one that I think is valid, because the hon. member, unlike myself or my colleagues over here, has a great forum across this nation and he has pontificated on a great many subjects ad infinitum and occasionally ad nauseam.

I would just like to use this opportunity to draw particular attention to the contradictions and inadequacies of his remarks and to point to what I think is the most crucial point, namely that he is a man who is an independent member and does not really understand the problems of leadership. It is almost like—and I use this by way of analogy—a deaf mute sitting down lip reading a great oration. He can try to write about it, but unless you listen to an oration you cannot appreciate it. I think this represents an analogy to the hon. member for Port Arthur and shows the invalidity of his comments today.

Mr. Churchill: Mr. Chairman, before saying a word or two concerning what the hon.

member for Port Arthur said I want to refer to an incident in the debate of yesterday when there was an incomplete reporting in *Hansard* of something that I said. I would like to put the record straight. The Prime Minister was talking about the difficulty of secret conversations appearing on the film, and as reported at page 4681 of *Hansard* I asked him this question, which is reported incompletely:

> What secret conversations could you have, as a member of the privy council, in the presence of outsiders?

Because of the commotion in the house the latter part of the question was omitted. The Prime Minister replied that he would be very glad to answer that question and went on to say:

> There were conversations in my office with cabinet ministers and we talked about public policy.

The point I was making was simply this, that the Prime Minister has admitted that members of the privy council, subject to the privy council oath, talked about matters of public policy in the presence of outsiders. Because he had done that, and because these conversations were recorded on tape, he wanted the right to excise them from the final version of the film, in the interests of security. In the interests of security these subjects should never have been talked about by members of the privy council in the presence of outsiders.

This surely is a gross dereliction of duty and responsibility, and I thought the Prime Minister failed to give an adequate explanation to the house yesterday with regard to that matter. I have been wondering since, what about these sections of the film that I understand have been cut out of the final production, which nobody is to see now? What about these sections which have recorded permanently secret conversations among members of the privy council on matters of public policy? Who has these sections of the film? In whose possession are they? Into whose hands will they fall?

Mr. Grégoire: The communists.

Mr. Churchill: This is a very grave situation indeed, Mr. Chairman, and I wonder why the Prime Minister failed to give a more adequate explanation of those secret conversations of privy councillors. I wish to make that extension and correction of *Hansard* because I was inadequately reported yesterday. I do not propose pursuing that subject at the moment, although there is plenty one could say with regard to the inadequate explanation of the Prime Minister.

I would like to talk for just a few minutes about what the hon. member for Port Arthur has said. He is in effect asking for the regimentation of this free institution. He wants everything put in a strait-jacket. He is in favour of curtailing freedom of speech. He is advocating closure. I say this because he referred to the naval debate of 1913. What was the purpose of referring to that unless he was asking the Prime Minister to put into effect what was done at that time? Then in 1956 we had another example of the curtailment of debate.

I am surprised that the deputy leader of the New Democratic party would be advocating the curtailment of speech in this house. No party has made better use of the freedom this institution provides than that party. The members of the New Democratic party time and time again have made use of the time of this house to present their views. In days gone by I well recall filibusters by members of that party week after week on subjects that were before this house, and there was no curtailment of the right of speech.

Mr. Nielsen: Timiskaming and Skeena.

Mr. Churchill: There was no closure applied. The hon. member for Port Arthur was talking about the public image of this institution. I do not know why members of parliament are trying to destroy the image of this institution by constantly condemning it in public. Let them make their statements here in the house—and I welcome the statement he made this morning—and not outside, so we can have a debate on the subject and can reply to such statements. But going outside this house, talking to high school students and other people and saying this is a sick parliament and that the institution has something faulty about it, does a great deal of harm. What are you doing? You are tearing down something that has centuries of tradition and prestige behind it. This is where the flame of freedom glows in Canada, right here in this chamber. There is no suppression of news here, except by those who do not want to give the full facts.

This is where every subject under the sun can be discussed. There is no curtailment of the important news of the country, as happened on the C.B.C. the other night when there was no mention of the fact that parliament was in session. This is the institution that preserves the liberties of the subject. Here is where you have freedom of speech,

and now the hon. member wants to curtail it. I ask him, for what purpose?

An hon. Member: To get down to the business.

Mr. Churchill: He said "Let us operate the way they do in the House of Commons at Westminster, where debates are curtailed". Debates in the House of Commons at Westminster are shortened on some occasions by mutual agreement, just as has been done here for years and will continue, I hope, to be done here for years. There is no curtailment of debate in the British House of Commons except by the action of the Speaker, who has greater authority than the Speaker has been given in the Canadian House of Commons. He can, when it comes to the amendment of legislation, accept some amendments and reject others on his own authority. There are certain over-all time limits spent on some aspects of parliamentary business at Westminster, just as we have over-all time limits on the speech from the throne, the budget debate and on supply motions, and within those limits we attempt to operate.

The British House of Commons does not impose a time limit on legislation very often. It is only on average once in two years, on occasions when they have a very controversial piece of legislation in front of them and which they feel they must under the circumstances pass, that the government imposes an allocation of time and there is restriction of debate. This is normally undertaken only after reaching the committee of the whole house stage, after the house has spent several days debating the subject in question. It is not normal practice at all, and it is ridiculous for people to suggest that we should be doing here what they do there as if it was normal practice in the British House of Commons. It is not so at all.

The British house introduced allocation of time back in the days when the Irish nationalists were obstructing the parliament of Great Britain and brought things to a dead stop. Allocation of time was first imposed on two bills affecting Ireland introduced into the House of Commons by Balfour, who was secretary of state for Ireland. That is when they started, and that system of allocation of time has persisted in the British house and was used more frequently during that period and up to the 1930's than it has been since. It is not a popular measure in the British House of Commons. If you were to read the debates over recent years since the second world war, on occasions when allocation of time was applied with regard to legislation, every party in the house at one time or other, Conservative, Liberal and Labour, when forming the government applied an allocation of time order; and each one of those parties when in opposition has resisted the application of such an order. It is not in common use at all. They operate as we do—

Mr. Fisher: Would the hon. member permit me to intervene, because I think he and I are talking about two different things. I am talking about the agreement that is reached every week among the whips of the major parties in England by which definite limits are set on almost everything but the most controversial matters, when the time factor is left open.

Mr. Diefenbaker: Why did the hon. member mention the navy bill if he did not mean closure?

Mr. Fisher: The hon. member is talking about two separate things.

Mr. Churchill: We have had constant communication in this house ever since I have been here with regard to limitation of debate by agreement, which time and time again happens. I can give countless examples of this. We did it yesterday in making a reference to the committee on agriculture.

Mr. Thompson: May I ask a question?

Mr. Churchill: That was done by conference among the party house leaders.

Mr. Thompson: May I ask a question? When did the hon. member as Conservative house leader last attend the meeting of house leaders?

Mr. Churchill: I think it was two months ago.

Some hon. Members: Oh, oh.

Mr. Thompson: And he talks of constant communication between house leaders. Does the hon. member consider two months as constant communication?

Mr. Churchill: The hon. and somewhat inexperienced member of the house does not understand the operation of this institution.

Mr. Thompson: And I do not intend to, the way you carry it on.

Mr. Churchill: He never has. I do not know whether he will be given time to gain knowledge of this institution or whether his constituents will throw him out at the next election, but if he stays here long enough

perhaps he will get to understand how this institution operates. I have not attended these so-called meetings of the house leaders for two months, and for a very good reason which I gave at Easter time. I am not going to repeat it now, but if the hon. member wants it now I can tell him that it will involve some acrimonious debate.

Mr. Grégoire: You have never given the reason.

Mr. Churchill: Since that time I have been in conversation and had meetings with the government house leader, and we have come to arrangements with regard to the business of this house.

Mr. Grégoire: You never gave your reasons.

Mr. Churchill: That is surely the position of the house leader for the official opposition.

Now, why are meetings with house leaders held? For only two purposes. One meeting is held so that the government house leader can, as a courtesy gesture, outline to the people in the opposition his program for the week or for the month. That is one reason for those meetings. The second reason is when the government house leader wants to get some arrangement with or concession from the opposition. There are only two reasons for having meetings of house leaders, and I found when I was attending these meetings that I was facing not only the government house leader but three associates of his, sitting together and putting the entire blame on me if there was no agreement. I find it much better to deal directly.

Mr. Grégoire: Mr. Chairman, on a question of privilege; as house leader of our party I say we were not associate house leaders of the government house leader. I resent that suggestion. But I would say that we were opposed to the continuous obstruction by the house leader of the opposition. He is the one who obstructs the house, and if he were not in the house I think we would move ahead with the business of the house.

Some hon. Members: Hear, hear.

Mr. Churchill: Well, Mr. Chairman, I am sorry if I offended the sensibilities of the person who takes up more time in this house than anyone else. I should put it in this way, that I gained the impression at those meetings that it was the government house leader and three associates who were attempting to put me in a false position. As I say, the hon. member for Red Deer has not an understanding of this institution, and I hope he gets one as time goes on.

Mr. Nielsen: It will take a lot of time.

Mr. Thompson: It will not be according to your interpretation.

Mr. Churchill: Every session there is plenty of opportunity, and this opportunity is taken, to make arrangements among parties for the expediting of business of the house. That is done very frequently and is a normal and a useful arrangement which works reasonably satisfactorily. I am opposed to any limitation of time taken by members of this house, because every hon. member comes here in the same way; he is voted in by the inhabitants of a constituency—the electors—and every hon. member, no matter where he may sit in the house, deserves to be heard. Why should only the deputy leader of the New Democratic party be heard, or the hon. member for Red Deer, or the deputy leader of the Creditistes party? Why do not other hon. members have the chance to be heard? The hon. member for Port Arthur is suggesting limitation of debate so that he can be heard, and perhaps somebody else in his party too, and then all the rest are cut out. I do not approve of that at all. I think an opportunity should be given to others.

Let me just point out this fact. We talk of not getting the business of the country done. I am not at this moment criticizing the government house leader, but let me point out that as of last Friday we completed the 88th day of this session and have passed quite a number of pieces of legislation. They are now listed, of course, in orders of the day.

The hon. member for Port Arthur is wrong in placing the emphasis on legislation. As my colleague and seatmate has pointed out, on more than one occasion the business of the house, after the preliminaries are over, is to determine the amount of money which will be made available for the carrying on of the business of the country, and the question of supply overrides so many of these other matters. It is not just to deal with legislation that we are here; and the weakness of the present session is that we have had only six days on the main estimates. We should be settling the problem of supply first, and then proceeding with some of the legislative matters; or work out the two together so that we would deal with very important pieces of legislation and at the same time with the supply to be voted for the carrying on of the business of the country.

This is the way people get a misconception of the house. We are constantly reading that parliament has not passed much legislation. Parliament is not assembled solely for the purpose of passing legislation. It is assembled in order to determine taxation and the granting of supply. If, incidentally, it passes legislation for the good of the country, that is a gain. But it is quite conceivable that parliament could assemble, go through the preliminaries, pass supply and do nothing else. That is quite conceivable, and it would be essential because the government cannot operate otherwise.

May I say that when people talk about this institution and suggest that sessions are getting too long and this, that and the other thing is happening, they have not searched the record. I wish they would. I have before me a table covering the sessions from 1952 to 1963. It shows the number of sitting days, when each session began and ended and the number of pieces of legislation passed, if that is something that is going to be insisted on. In addition to passing legislation, of course, supply was approved.

In the 1952 session there were 87 sitting days and 55 pieces of legislation were passed. The 1952-53 session lasted 108 days and 54 legislative items were passed. The 1953-54 session lasted 139 sitting days and 67 legislative items were passed. In 1955 the session lasted 140 days, with 60 items passed; in 1956 the session lasted 152 days, with 50 items passed; in 1957 it lasted 71 days, with 39 items passed. The 1957-58 session lasted 78 days and 30 items were passed. The 1958 session took 93 sitting days and 44 items were passed. The 1959 session lasted 127 days and 55 items were passed. The 1960 session lasted 146 days and 48 items were passed. The long session of 1960-61 lasted 174 days and 64 legislative items were passed, in addition to the estimates and everything else. The 1962 session lasted 65 sitting days and 29 items of legislation were passed. The 1962-63 session lasted 72 sitting days and 17 items of legislation were passed. Finally, the 1963 session lasted 117 days and 42 items were passed.

If you will look at the record you will see that in years when an election occurred the sessions were perhaps shorter, but you will also see that there is no great extension of the time of sessions in this country. Despite all the complaints, year after year these sessions are passing supply involving estimates for 20 different departments and are passing 40 to 60 legislative items per session. Over and above that we have the opportunity here to debate and discuss public issues and bring to the attention of the public things that are going on in this country, the mismanagement of the government, the deprivation of the liberties of the subject in some instances. These things are of vital importance to the welfare of Canada, and this is the reason parliament exists. Here the voice of the people may be heard in complete freedom and without any restraint. That is why I reject and resist the suggestion that there should be a limitation on debate imposed by government action, which is what the hon. member for Port Arthur asked for today. He was asking the Prime Minister to impose, I presume with the support of the member for Port Arthur, a limitation on debate, a deprivation of the freedom of speech that every member of this house should enjoy.

[*Translation*]

Mr. Caouette: Mr. Chairman, we heard, in turn, the hon. member for Port Arthur (Mr. Fisher) and then the hon. member for Winnipeg South Centre (Mr. Churchill) tell us about the inefficient manner in which the business of the house is being conducted.

At the start of his remarks, the hon. member for Port Arthur mentioned briefly the famous film "Mr. Pearson", which has now been loudly publicized throughout the country. It has been said that the production costs of that film were about $35,000.

The film was shown to members of the government. For several weeks the Secretary of State (Mr. Lamontagne) has been questioned and asked whether or not the film would be shown on the C.B.C. television network.

The Secretary of State does not know what is going to happen; he has nothing to say to the C.B.C.; and he has no suggestions to offer. He tries to obtain some information but gets no answer. So his answer is always the same; he does not know. We are by no means surprised that he does not know anything, because he never knew much in the past.

But one fact remains. That famous film cost the Canadian taxpayer $35,000, and I maintain that the decision not to show the film taken at mid-day by the directors of the C.B.C. clearly establishes that the government gave some instructions, or made some suggestions, to the corporation not to show this film on television.

Mr. Lamontagne: Mr. Chairman, on a point of order. The hon. member for Villeneuve just said that the government instructed the C.B.C. not to show this film. Now I think that the statement in the letter I read a short

while ago absolutely contradicts this statement of the hon. member for Villeneuve.

Mr. Caouette: Mr. Chairman, what the Secretary of State may have read to us a short while ago in no way contradicts what hon. members, as well as the general public, have been thinking for the past few weeks.

Mr. Lamontagne: Prove it.

Mr. Caouette: This Pearson film business has created, among the Canadian public, a sort of desire mixed with anxiety, to see what had been done for $35,000. It seems to me that the wish of the people to view a film which cost such a tremendous amount of money is perfectly justified. The public should at least have the satisfaction of seeing what was done with the $35,000 which the film cost. But such is not exactly the point.

Mr. Chairman, the C.B.C., through its decision, and a letter which was made public at noon, proved once more it has some entirely irresponsible governors. Besides, it is not the first time I rise in the house to protest against the doings of the C.B.C., against its discriminatory practices.

I shall give to the Secretary of State another example: Last night, we could see on television, for two hours, the St. Jean Baptiste parade. Afterwards, we listened to the C.B.C. newscast, during which we were offered sequences from this parade we had just seen.

Before the showing of these crumbs, we heard, in the name of the Liberal party, of the government of the Prime Minister, the hon. member for Dollard "Desormeaux" (Mr. Rouleau) offering his good wishes to the French Canadians on the occasion of the feast of St. Jean Baptiste; we then heard the good wishes of the Leader of the Opposition (Mr. Diefenbaker) and afterwards, those of the leader of the New Democratic party (Mr. Douglas). But as far as we are concerned, there was no mention of the wishes we were making for our own fellow citizens, the French Canadians in Canada.

Mr. Grégoire: Shame.

Mr. Caouette: Certainly, it is a shame. Those are the doings of the C.B.C., not only for the last couple of weeks, but ever since its inception.

I wonder whether an individual such as Mr. Ouimet, who is paid $40,000 per year, has the right to indulge in discrimination within the C.B.C. which is financed by the whole Canadian people, no matter what partisanship or political colour might exist, all across the country.

Mr. Chairman, last night, we saw another instance of discrimination and I hold the governor of the C.B.C. responsible—

Mr. Choquette: The president.

Mr. Caouette: —president or governor. We write him letters and he does not even have enough time or courage to sign his answers in his own handwriting. He uses a rubber stamp.

For the information of the Secretary of State, Mr. Ouimet is an arrogant person. He thinks he is above the national parliament and can look down upon hon. members of parliament as minor cogs in the machinery for the administration of public affairs. He flouts the federal hon. members. He thinks he is above the government and that is so true that the Secretary of State tells us that he has no authority to tell the C.B.C. how the most elementary justice must be applied within confederation.

Mr. Lamontagne: Read the act.

Mr. Caouette: The C.B.C. has a French branch in our province of Quebec—

Mr. Grégoire: All we do is pay.

Mr. Caouette: As suggested by the hon. member for Lapointe all we do is pay and that is it.

But I would be remiss if I did not draw to the attention of the Secretary of State the doings of C.B.C.

To come back to the "Mr. Pearson" film, it cost $35,000; the people know very well the amount that was spent. If that film is not fit to be seen by the public, C.B.C. officials show their lack of qualifications because when you spend $35,000 and then say that the film is not to be shown because it is not of a good quality, there is something wrong somewhere.

If businessmen and industrialists operated that way, they would have had deficits for a long time, just like C.B.C. has had for many years, because it is administered by unqualified people.

Another point I should like to raise is the business of the house. The government introduces its legislation, and we heard the hon. member for Port Arthur say: Let the government restrict the discussion. Perhaps the members of his own party would be the first ones to be affected, because last year, during the previous session, we saw two members of the New Democratic party carry

on a filibuster for several days take a pride in having us sit as late as Christmas eve; they rejoiced at that. It is fortunate that the hon. member for Port Arthur specified that his opinions were not necessarily shared by the members of his group, that he was probably the only one to think that way, but that he took the liberty of suggesting to the Prime Minister that he cut the debates if necessary.

Another question was raised by the hon. member for Winnipeg South Centre clearly accusing the hon. member for Port Arthur of making outside this house statements he should make here so that we may discuss them. At this point, I shall call the attention of the hon. member for Winnipeg South Centre to the fact that if there is a group in this house which endeavours by all means to extend the debate, it is the Conservative group. No wonder, because recently we could read in the papers that the Leader of the Opposition had decided to use every possible means one can think of to come back into office. This is to no avail, for the Leader of the Opposition will never come back into power in this country.

[*Text*]

Mr. Diefenbaker: I rise on a question of privilege, Mr. Chairman. I can hear the applause for the hon. gentleman by hon. members opposite; the alliance is clear. However, the statement made by him is entirely false.

Mr. Dupuis: You do not even know what he said.

[*Translation*]

Mr. Caouette: Mr. Chairman, I heard the Leader of the Opposition say that my statement is untrue—

Mr. Dupuis: He does not know what you said.

Mr. Caouette: —but I do not have to point out what one reads in the papers, one only has to look at the conduct of the Leader of the Opposition in the house to have immediately the proof that he is trying to embarrass the government as much as possible and that he is trying by all possible means to create confusion instead of informing the Canadian people of what is going on.

I hear some members speaking in the back of the house, chatterers who have never been able to do anything else. Mr. Chairman, we had the proof of this when they were in power for six years and everything they failed to do during those six years they are now blaming the present government for not doing it now.

It is not that I approve the manner in which the government introduces its legislation. Indeed not, because we object to it. We also find that a great deal of time is lost because this legislation is not ready.

I have just been among the people and at the present time we keep hearing about the distinctive flag. Everybody wants a distinctive flag. Now, the Leader of the Opposition, who is against the resolution of the Prime Minister—I am told that 50 members of his party might want to speak on the flag resolution—himself promised a distinctive national flag seven or eight years ago. However, he did not have the courage to propose one when he was prime minister.

It was the same prime minister who stated publicly when there were a million unemployed in Canada: Ladies and gentlemen, I shall not close an eye and I shall not sleep as long as there is a single unemployed in Canada. And since that time the former prime minister seems terribly tired because he has not slept for five years. He was almost paralysed at that time.

This is the game that we see. This is the spectacle that the Leader of the Opposition is showing now to the public. He is trying to stir up one part of the population against the other, and putting the blame on the government.

Mr. Pigeon: This is untrue.

Mr. Caouette: I hear the hon. member for Joliette-L'Assomption-Montcalm say it is untrue. Yet, here is the same member who turned white, as white as a sheet, the other day, when his leader was speaking.

Mr. Pigeon: Mr. Chairman, I rise on a question of privilege—

[*Text*]

The Deputy Chairman: Order. The hon. member for Joliette-L'Assomption-Montcalm rises on a point of privilege.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I should like to tell the house that I object to the views expressed by the hon. member for Villeneuve and which are offensive. I can tell the house that he has entirely lost the people's confidence, because Quebec no longer believes in Mussolini.

Mr. Caouette: Mr. Chairman, there is no question of privilege in what my good friend from Joliette-L'Assomption-Montcalm has

just said. He is objecting. Have you ever seen him not objecting in the house? He objects about anything. He is always a conscientious objector, wherever he may be. But he does not know why he is objecting. He is a "protestant" in the proper sense of the word.

[*Text*]

Mr. Churchill: What were you doing in the last war?

[*Translation*]

Mr. Caouette: He reminds me of swallows pricking a squirrel from time to time here. Those people feel sick—

Mr. Pigeon: On a point of order, Mr. Chairman. Surely, the hon. member for Villeneuve abuses in his remarks—

[*Text*]

The Deputy Chairman: Is the hon. member rising on a point of privilege?

[*Translation*]

Mr. Pigeon: The hon. member for Villeneuve abuses his privileges. I am not surprised to hear those remarks and I would suggest to him not to take Canada for a country once ruled, as it was seen in the old countries, by Hitler and Mussolini. Moreover, his great admiration for those two dictators is well known.

[*Text*]

The Deputy Chairman: Order. I cannot accept the words of the hon. member as a point of privilege.

[*Translation*]

Mr. Caouette: Mr. Chairman, what the hon. member for Joliette-L'Assomption-Montcalm just said was prompted by his leader. The hon. member for Joliette-L'Assomption-Montcalm refers to Hitler and Mussolini; I will tell him one thing. Last year, why did certain ministers from his own party run away from the Conservative party? Because their own leader acted high handedly with them.

"Pigeons" and "parrots" are not lacking in the house at present. But there is nevertheless a limit to hearing those people lay the blame on everybody.

For instance how can the hon. member for Winnipeg North Centre state that at house leaders' meetings the government house leader has the support of the three other parties, when we know full well that it is not the case with the Conservative party, which is not even represented at those meetings.

As for us, when the government introduces a piece of legislation in the interests of the Canadian people, we shall support it. But if it is not in the interests of the Canadian people, then we shall oppose the government. That is why we stated for instance, that we shall give our full support to the government's proposal with regard to the adoption of a distinctive flag.

But as for a second flag, we shall not support it; should we do so, it would surely be with reservations. On this point, we shall be as unanimous as in connection with the adoption of a national distinctive flag. This means that we are consistent with what we have been preaching for a number of years, not only in the province of Quebec but throughout this country as well.

In concluding, Mr. Chairman, I will say this. The impression created by the Conservative party in Canada at present is that the national distinctive flag concerns the French Canadians only, while the union jack will become the flag of the English Canadians.

An attempt is being made to have people believe that the national distinctive flag will be accepted merely to please French Canadians in the province of Quebec, when this is not the case. We have not asked that the emblem of France appear on the national distinctive flag. We requested a totally Canadian flag which will be readily recognizable as Canadian in Canada as well as abroad.

It is this impression that some people are attempting to create in Canada, in Ontario, in the western provinces and in the maritime provinces, to the effect that the adoption of a national distinctive flag is solely to please French Canadians. I must say that the Leader of the Opposition is putting the Canadian people in a dilemma and, instead of filling the chasm which divided the two ethnic groups in Canada, he is widening and deepening it by his untimely and irresponsible statements made in western Canada, such as those he made recently—

Mr. Pigeon: It is not true.

Mr. Caouette: It is disgraceful for the Leader of the Opposition to state anywhere in Canada, as he did in Toronto, that a small group of the splinter parties wanted to maintain the government in office in order to keep on receiving the $18,000 a year they are getting, because he knew then that he was shamelessly lying.

An hon. Member: Shame.

Mr. Caouette: He asserted that he, the Leader of the Opposition, had voted against the increase of emoluments.

[*Text*]

Mr. Churchill: On a point of order, Mr. Chairman, the hon. member, according to the translation, has said with regard to the Leader of the Opposition that he made a statement and that he knew he was lying. I am not certain whether the words "lie" and "lying" are now acceptable in parliamentary practice, but I would like to test the case and ask for a withdrawal.

The Deputy Chairman: I have listened to the hon. member for Villeneuve, and if the translation which I heard is a correct translation of what he said, and he did use the word "lie", I would suggest to him it might be far better if he were to phrase his statement in some other way.

Mr. Churchill: He must withdraw the statement. It is not just a rephrasing.

[*Translation*]

Mr. Caouette: Mr. Chairman, that translation, intended for my very good friend from Winnipeg South Centre, did not help any. What I meant to say, and I repeat it in French, is this: The Leader of the Opposition tried to make people believe, which in English means:

[*Text*]

—misled people like the hon. member for Winnipeg South Centre—

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Caouette: Mr. Chairman, I understand the eagerness of the hon. member for Winnipeg South Centre—

[*Text*]

Mr. Churchill: On a point of order, Mr. Chairman, do I understand that the hon. member has withdrawn his remarks accusing the Leader of the Opposition of lying? I would like your ruling on that.

[*Translation*]

Mr. Caouette: Mr. Chairman, I never said "lie". I never uttered that word. I was speaking in French and the translation given is inadequate. The English translation would mean:

[*Text*]

—misled the hon. member for Winnipeg South Centre.

The Deputy Chairman: If it is the contention of the hon. member for Villeneuve that the translation was not exactly what he did say, then maybe the committee would accept the statement of the hon. member for Villeneuve.

Mr. MacInnis: On that point of order, Mr. Chairman, in that the hon. member has made the statement that the translation was incorrect—

An hon. Member: How would you know; you don't speak French?

Mr. MacInnis: I might remind the hon. member that when I do have something to say I don't say it from behind the curtain. What I want to know from the hon. member is this: if in referring to the fact that the translation was wrong, is this a complaint against the translation staff?

[*Translation*]

Mr. Grégoire: Mr. Chairman, on the question of privilege, I think we have had enough such cases lately to recognize that a French word may have several meanings in English and vice-versa.

Now, I feel the interpretation given by the hon. member for Villeneuve (Mr. Caouette) deserves to be accepted as such. We had a striking example of the point I wish to make when the premier of the province of Quebec made a request at the federal-provincial conference and the French word "demande" was translated by "demand", which, although quite similar, does not mean the same thing.

In my opinion, the hon. member should accept the interpretation given by the hon. member for Villeneuve of the word he used in French.

Mr. Caouette: I was not listening to the translation myself. It is my friends the Conservatives who listen to the translation. As for me, when they speak, I listen to them directly, because I can understand their language. I am not taking them to task. I merely wish to point out that I was not listening to the translation. I am sure the interpretation team is doing a good job, and I congratulate them. Far be it from me to accuse them of interpreting incorrectly what I said in my speech.

Mr. Chairman, this session has already been going on for months and all hon. members would no doubt welcome a summer recess. That is only natural.

Mr. Pigeon: We do not want any. In our group, we want to work.

Mr. Caouette: The hon. member for Joliette-L'Assomption-Montcalm says he wants to work. There you have the most useless member of this house who wants to keep on doing nothing all summer long.

Mr. Pigeon: Mr. Chairman, I am never absent from the house. Since the beginning of the session, the hon. member for Villeneuve has been coming here once a week, and I would ask the Canadian Mussolini to use his own judgment.

Mr. Choquette: He meant the most harmful member.

Mr. Caouette: Mr. Chairman, I should like to say here that I strongly object to the remarks made by the irresponsible member for Joliette-L'Assomption-Montcalm.

I ask, Mr. Chairman, that you make the hon. member for Joliette-L'Assomption-Montcalm withdraw the words "Canadian Mussolini".

Mr. Pigeon: No, this is a fact.

Mr. Choquette: On the point of order, Mr. Chairman, when the hon. member for Villeneuve said that the hon. member for Joliette-L'Assomption-Montcalm was the most useless member in the house, it was a slip of the tongue. He actually meant to say that the hon. member is the most harmful member here, and he is absolutely right.

[*Text*]

The Deputy Chairman: In the list of unparliamentary expressions I have here, I do not find the one the hon. member used. Nevertheless, I think it might be in the interest of better decorum in the house if the hon. member would rephrase his statement and use some other word.

[*Translation*]

Mr. Pigeon: I believe you are right, Mr. Chairman. I did make a mistake when I said the hon. member for Villeneuve is a Canadian Mussolini. I should have said a Canadian Hitler.

Mr. Grégoire: Mr. Chairman, I rise on a point of order. In my opinion, the hon. member for Joliette-L'Assomption-Montcalm is challenging your authority. I feel he should withdraw the words he has just spoken.

Mr. Chairman, I request a ruling on that point.

[*Text*]

The Deputy Chairman: May I say to the hon. member for Joliette-L'Assomption-Montcalm that I do not think the expression he used is a proper one and perhaps he would be willing to help the Chair by changing the phrase he used, and withdrawing it.

Mr. MacInnis: On a question of privilege. I have had some trouble identifying the member concerned, but the hon. member for St. Jean-Iberville-Napierville has just made another interjection from his seat and I wish to take exception to his conduct, especially to his conduct yesterday evening when he saw fit to send a note implying something which, actually, was not so, and not signing his name to it. He has been identified as the sender of the note, and his conduct is not the conduct one expects from members on the other side of the house.

The Deputy Chairman: I think the best course would be for the committee to allow the chairman to handle one problem at a time. At the moment I am asking the hon. member for Joliette-L'Assomption-Montcalm to rephrase the statement he made. I think that would be more in keeping with what we would like to have on public record.

[*Translation*]

Mr. Pigeon: Mr. Chairman, as I have a great deal of respect for the authority of the house, I am pleased to withdraw what I said but, on the other hand, the hon. member for Villeneuve will admit that he has a lot of admiration for Mussolini and Hitler.

Mr. Grégoire: Silly, as usual.

Mr. Caouette: Mr. Chairman, we are not asking for anything more from the hon. member, because he is known in Quebec as a kind of political clown. That is obvious, when you think of the questions he asks in the house. They are stupid, nonsensical and, once again, he has just made stupid assertions in the house. We shall leave him to his stupidity and keep from falling into his trap.

[*Text*]

The Deputy Chairman: I will appeal to the good sense of the committee and ask members whether in discussing the motion before us we could refrain from these personalities.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I rise on a point of order. The regrettable expression just used by the hon. member for Villeneuve suits very well a former Liberal member of the house, which he was in the past.

Mr. Dupuis: Never.

Mr. Pigeon: Liberal candidate.

Mr. Caouette: Mr. Chairman, he has just shown once again that he is always off the track; he is perfectly ignorant and he will never know any better than what he is doing now.

Mr. Choquette: An excretion.

Mr. Caouette: Mr. Chairman, the Conservatives are in the habit of always making interruptions whenever we throw at them what they have done and what they are still doing to the country, which goes to show that we are right in not believing them any more than the party opposite, on the government side.

All we are asking is that the government introduce its legislation, so that all political parties, whatever they are, may consider it. It is up to the government to see to it that bills are passed, so that the public can benefit by legislation put forward to serve the Canadian individual and to take advantage of Canadian abundance, the potential abundance which exists and which we can create by our intelligence, our brains, our labour, our ability and our great potentialities.

If we do this, we shall be of service, not only to tired members of parliament, but to the people who are quite tired of paying taxes only to get results such as we have now.

[*Text*]

Mr. Thompson: I think it would be well if we could bring the debate in this committee down to a more reasonable level than we have had in the last few minutes.

We are in the fourth day of the debate on interim supply.

Mr. McIlraith: The fifth.

Mr. Thompson: If we go back a few years we will find from the evidence of the record that rarely did such a debate occupy more than a day. In fact, it was very often over in an hour or two. We have discussed at length the film "Mr. Pearson". We have discussed the topics brought to the attention of the minister of immigration on Monday—something about the inadequacies of the immigration laws as they are presently administered. We have heard members call each other liars and a lot of other names which are certainly far below the dignity of this house of which we are all members.

It seems to me we ought to come back to just a little more sense of balance and understand that it is our particular responsibility at this time to authorize the expenditure of certain moneys for the carrying on of the administration of the government and our country.

Some hon. Members: Hear, hear.

Mr. Thompson: We should let this film matter go by the way for a little while and accept the word that has been given by various members of this house in answer to charges that have been made against them, in the honourable way that we would expect our own word to be accepted. For this reason, Mr. Chairman, it seems to me it would be far more befitting our responsibilities if we were to come to an amiable conclusion of this debate, because obviously we are not debating the subject which is before us at all. I was going to answer the house leader of the official opposition and some of the remarks he made, because I disagree with a number of them; but let us leave that aside as well. Certainly no one can disagree with the fact that I have just mentioned, namely that our responsibility now is to authorize the expenditure for another month of the moneys needed by the government in their responsibilities of carrying on the administration of this country.

We may not have agreed with all the things said by the hon. member for Port Arthur in regard to facilitating the work of this house, but on the other hand we must certainly agree with his basic premise, that we are not making the progress that we should be making. This responsibility falls upon, not just the government, not just the official opposition, but upon all of us. The hon. member for Winnipeg South Centre has inferred very specifically that the house leaders of the minor parties have been in some kind of liaison or behind the scenes plot to work against the official opposition. I do not agree with this; I do not think it is true at all. Many remarks have been made recently to the effect that the fact this house of minorities is not making progress is the fault of the minor parties. This is not true at all. When the house leaders of the minor parties do come together in an effort to facilitate the work of the house, I am convinced they do so with a real depth of sincerity and, shall I say, patriotism, to try and make this house of minorities work. I say it can work if we make up our minds that it will work. It is not good enough just to be harping back to Westminster to try and show that they do not do things any differently than we do, or that they do things differently than we do. Our responsibility now is to each other and it is also to the nation, because there is important legislation on the order paper, waiting to be dealt with. The way we have been carrying on these past four days is certainly neither

to the credit of anybody in this house, nor to the advantage of anybody in this house—because we are the ones who are the final losers, as well as the country.

An hon. Member: Are you speaking for yourself?

Mr. Thompson: Yes, I am speaking for myself. For four days we have listened patiently to the carryings on of this house without making any remarks at all, because it seemed there was already too much being said.

I would appeal to hon. members present today to think upon these things. It is not a question of throwing sticks or stones, as an editorial in today's *Globe and Mail* points out; it is a question of facing up, in an honourable and responsible way, to the things we have been given the responsibility of doing. It is not a question, as I have just mentioned, of looking back to the past to try to justify our present shortcomings and sins. Rather it seems to me, we should take our hats off to the past, but take our coats off to the future and settle down and get to work.

Mr. Knowles: Mr. Chairman, newspapers operating as they do, I quite imagine there will be a report out of this chamber today referring to a difference of opinion between the hon. member for Port Arthur and myself. I do not deny for a moment the difference of opinion which was reflected a while ago, but I would be very happy if some newspaper reporter would be responsible enough—

Some hon. Members: Oh, oh.

Mr. Knowles: —to draw attention to the wide measure of agreement between the hon. member for Port Arthur and myself, rather than just drawing attention to the disagreement. So far as the introduction of closure under the rule that is in our books is concerned, I am against it, as are other members of my party; but this is not true for all the members of my party. However, we are all united, and strongly so, behind the position stated by the hon. member for Port Arthur to the effect that the time has come when we have got to do some planning of our parliamentary time.

I feel so strongly about this, and at the same time I am so hopeful that it is an idea that will yet prevail, that it is not my purpose to speak about it in controversial terms. The reason for this I am sure is clear to all hon. members. I have had the honour of being named as the chairman of the subcommittee on procedure of the special committee on procedure and organization, and in both that subcommittee and the main committee we are wrestling with this question of finding some way by which we might allocate our parliamentary time.

Some hon. Members: Five o'clock.

Mr. Knowles: The position in which I find myself makes me, in effect, a negotiator among the parties in this house. Because I am a negotiator, because I am still hopeful that the viewpoints of the various groups in this house can be brought together behind a proposal for planning and allocating our time, I shall refrain from indulging in any argumentative discussion of that point during the course of these remarks.

Some hon. Members: Five o'clock.

Mr. Knowles: Mr. Chairman, I hear hon. members calling my attention to the fact that it is five o'clock.

Mr. Pascoe: It is one minute past.

The Chairman: Order. In order to permit the house to proceed to the consideration of private members' business, and in accordance with section 3 of standing order 15, it is my duty to leave the chair.

Progress reported.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions, papers; private bills, public bills.

PRIVATE BILLS

Mr. Deputy Speaker: Order. As there are five private bills standing for consideration in committee of the whole, is it agreed that in accordance with section 1 of standing order 54 they be referred to committee of the whole in one motion?

Some hon. Members: Agreed.

SEICHO-NO-IE

The house in committee on Bill No. S-23, to incorporate Seicho-No-Ie—Mr. Ryan—Mr. Lamoureux in the chair.

Clauses 1 to 17 agreed to.

On clause 18—*Territorial powers.*

Mr. Macdonald: Mr. Chairman, could the sponsor of the bill explain to us the effect of this amendment?

Mr. Ryan: Mr. Chairman, the effect is simply to make clear in the bill that this religious body as incorporated must still make an annual summary or return to the federal government, as if it were an incorporation with share capital.

Clause 18 agreed to.

Bill reported and read the third time and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. S-15, to incorporate Evangeline Savings and Mortgage Company.—Mr. Ryan (for Mr. Regan).

Bill No. S-18, respecting the Montreal Board of Trade.—Mr. Mackasey.

Bill No. S-30, respecting the Dominion of Canada General Insurance Company.—Mr. Chrétien (for Mr. Lachance).

Bill No. S-31, respecting the Casualty Company of Canada.—Mr. Chrétien (for Mr. Lachance).

THE BELL TELEPHONE COMPANY OF CANADA

The house resumed, from Thursday, June 18, consideration of the motion of Mr. Brown for the second reading of Bill No. S-27, respecting The Bell Telephone Company of Canada.

Mr. Deputy Speaker: I should caution the house that if the hon. member for Brantford (Mr. Brown) speaks now he will close the debate.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, it is not usual to have the Bell Telephone Company before parliament, and when we do I think we should take the opportunity to ask a few questions about the company. I understand that this bill is to increase from 15 to 20 the maximum permissible number of directors. I think the time has arrived that we should look at the Bell Telephone Company in particular, as the largest telephone company in the nation, and the other telephone companies, with a view to incorporating them as a public utility to be operated for the good of the nation.

Telephones are a part of the same field of communication which includes radio, television, telegraph lines and so on. The telephone is used by everybody across the nation in the course of their daily activities. The Bell Telephone Company has been able to exercise tremendous control over the rights of the individual and in my opinion these rights have quite often been abused by the corporation. In Canada we have a large microwave communications system extending from coast to coast which is owned by the telephone companies of Canada. About 25 per cent of its operations are for purposes of television broadcasting, and a considerable proportion is used for communication purposes by the army, navy and air force.

The telephone has become a vital necessity in the carrying on of the affairs of the nation not only in a military sense but in the business and personal life of the people. I believe that in amending this act we should also include an amendment to provide for the expropriation of the Bell Telephone Company so that, like most other communications media, it will come directly under the control of the federal government.

There are many abuses to which people are subjected by the Bell Telephone Company. Some of these abuses have come to my attention since I have been a resident of southern Ontario, because in northern Ontario we have a different telephone company and the same rules do not apply. I am informed that many arbitrary acts are perpetrated by the Bell Telephone Company in its relations with the general public. If the company wishes to do so it will supply a telephone to an applicant, but if it does not wish to supply a telephone it does not do so. If it wishes to impose a surcharge on a particular line it does so. If a bill is overdue several days the company has been known to cut off the telephone service, although the person may have an exceptionally good credit rating. This has been done several times in the rooming house where I live. It is caused partly by the fact that several persons use the telephone, with the result that the bills are quite large and cannot be apportioned until such time as they arrive at the house. Of course, the company charges an extra $5 to reconnect the telephone. They do not give the normal 30 days for the payment of a bill which is usually extended to those with a good credit rating. Instead they adopt an arbitrary attitude and may cut off the telephone within two or three days with or without warning.

In my opinion the company has used methods that are not conducive to the good and the welfare of the nation. Therefore I believe the time has arrived when we should put the telephone system under the control of the federal government in the same way that other communications media are being operated as public utilities at the present time. There are probably many who have

had an extended connection with the Bell Telephone Company and know more about it than I do. However, I would request an amendment that would provide not only for this company but other telephone companies as well to be brought under public ownership.

I hope that the bill will be referred to a committee. I presume it will and I hope that consideration will be given by members of the committee to a discussion of the merits of whether or not this particular amendment should be granted to the Bell Telephone Company and whether or not it will prove to be in the interests of the people of Canada. The argument may be made, of course, that this does not come within the purview of this amendment. This is perfectly true, but the Bell Telephone Company has a federal charter and therefore it is our responsibility to consider the broader aspects of its operations whenever an opportunity arises as the result of the introduction of amendments. I hope that the sponsor will ask that the bill be referred to a committee so that some consideration can be given to present problems and the advantages that Canada would obtain if the Bell Telephone Company were brought under public ownership in the same way as other communications media which operate under the control and direction of the federal government.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a few remarks I should like to make on the bill. In reading its language certain questions arise in my mind. First of all, I should like to know if the majority of directors at the present time are Canadians. I should also like to raise the question whether or not all of the directors should be Canadian, in an organization of this type dealing with communications in this country. Generally speaking there is no reason to raise a question of this kind in regard to many of our commercial organizations, but when communications are involved I think the question is a valid one. I should also like the sponsor of the bill to indicate whether there would be any objection to including such a provision in the bill. There is nothing more I wish to say at the moment, but I should like these questions to be dealt with.

Mr. Deputy Speaker: I must remind the house that the hon. member is now closing the debate.

Mr. J. E. Brown (Brantford): Mr. Speaker, this is a very simple bill. Its sole purpose is to increase from 15 to 20 the number of directors provided in the act incorporating the company. I might point out to the house that in 1888, when the original bill was passed by parliament, the number of telephones in Canada was 14,550 while at December 31, 1963, there were over 4,090,000. I am referring to those operated by the Bell Telephone Company. In 1888 the total assets of this company amounted to $2,224,290 while at the end of 1963 their assets totalled $2,347,095,000.

In answer to the question of the hon. member for Rosthern (Mr. Nasserden) I should like to state that at December 31, 1963, the number of shareholders of the Bell Telephone Company of Canada was 195,037. Of this amount, the total number of Canadian shareholders was 189,718. The total number of shares owned by United States citizens was 3,969. The total number of shares owned by other foreign shareholders was 1,350. As can be seen, this is an almost wholly owned Canadian company. As a matter of fact 93.1 per cent of the capital stock is held by Canadians and 97.3 per cent of the shareholders were residents in Canada as at the end of December, 1963. The holding of the American Telephone and Telegraph Company as of December 31, 1963, was 2.8 per cent of the total number of shares.

These figures I have given the house in order to refute the statement made in the house by the hon. member for Kootenay West (Mr. Herridge) in the earlier debate on the bill. Further, in reply to the hon. member for Rosthern (Mr. Nasserden), I should like to state that all the directors of the Bell Telephone Company except one; are Canadians; that is, 14 out of the 15 present directions are Canadian citizens. Only one director is a United States citizen and he is also a director of the American Telephone and Telegraph Company which holds 2.8 per cent of the stock. At the present time, therefore, all the directors but one are Canadian citizens. This is a very high proportion of directors who are Canadian citizens and a very high percentage of shareholders.

With these few explanatory remarks, Mr. Speaker, I shall draw my own remarks to a close and leave the bill to the discretion of the house.

Mr. Peters: May I ask, Mr. Speaker, if it is the intention to send this bill to a committee?

Mr. Brown: I think the bill will, of course, go to the committee on railways canals, and telegraph lines.

Mr. Pigeon: Could the hon. member give the house a list of the directors of the Bell Telephone Company of Canada as well as a list of the companies those directors control in Canada?

Mr. Brown: I will be glad to bring any of those matters before the committee.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals, and telegraph lines.

NOVA SCOTIA SAVINGS AND LOAN COMPANY

Mr. Gerald A. Regan (Halifax) moved the second reading of Bill No. S-34, to incorporate Nova Scotia Savings and Loan Company.

He said: Mr. Speaker, this is a bill to incorporate the Nova Scotia Savings and Loan Company. A company known as the Nova Scotia Loan and Building Society has carried on business for many years in the province of Nova Scotia with its head office in Halifax. This company has provided a service to the people of that area. Because of certain limitations of the old building society type of incorporation that has been in existence for a long time, it has been found desirable by the company to continue its present business by incorporation of this Nova Scotia Savings and Loan Company. The two companies would then be amalgamated. I would expect to give a more detailed explanation in committee.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

CIVIL SERVICE ACT

AMENDMENTS RESPECTING WITHHOLDING OR REFUSAL OF RIGHTS

Mr. Jack McIntosh (Swift Current-Maple Creek) moved the second reading of Bill No. C-39, to amend the Civil Service Act (bureaucratic oppression).

He said: Mr. Speaker, when I first introduced this bill in parliament I said, by way of explanation, that I had reason to believe some officials of the government, by virtue of their office, have on occasion intentionally deprived certain citizens of their rights declared under the provisions of Canadian statutes. I believe these officials have intentionally withheld those rights or refused the implementation of those rights until, in a given case, the citizen has bent to the official's will.

[Mr. Brown.]

At present there is no penalty in the Civil Service Act for such bureaucratic oppression. This bill will provide a penalty if guilt for such action can be established. Perhaps I should have prefaced my remarks by saying any allegation I may make is not directed against the rank and file of the civil service, most of whom I believe are loyal, devoted and efficient public servants, but rather against the few who trample freedom and ride roughshod over individual rights. Generally speaking, I think I would agree that Canada has a high grade civil service, manned by personnel who are dedicated people, but a service that is handicapped by a system, a system badly needing revision, and one which in many ways represses initiative and favours the status quo.

It has been said that an administrator is a bureaucrat whose prime loyalty is to the public good; a bureaucrat is an administrator whose prime loyalty is to the administrative machine of which he is a cog. While I know that bureaucrats are necessary I also feel a number of them overemphasize their authority and at times eliminate justice. I am one of those who believe that public servants are the servants of the public and not the masters, as some seem to believe by their actions.

Many Canadians, I feel certain, could testify to at some time having suffered the embarrassment and humiliation of tangling with some dominating bureaucrat within our federal departments. If we allow trained, efficient civil servants to take over we get a bureaucracy, and democracy ceases to exist. This fact is a weakness in our democratic system, a weakness which we as members of parliament are charged to watch.

I have stated before and I will repeat that, no matter what party the taxpayers elect, no matter what government is in power, the bureaucratic dictators still run the country. To a large degree the government is a captive of the civil service, and the ministers are hostages to their deputies and senior departmental officials. Successive governments in the capital of our country have, without thought, or I should say without intent, gradually vacated certain areas of authority or responsibility which, in a democracy, should always be occupied by publicly elected officials or their representatives, leaving the departmental officials decisions which they have neither the practical training nor the mandate to exercise.

It may be a revelation to some Canadians, particularly to us members of parliament, to

find out for ourselves the degree to which civil servants have taken over the affairs of our country. As members of parliament I believe that two statements made by the high commissioner of New Zealand in a speech to the royal commonwealth society should be of interest to us. The first statement refers to travellers in his country, New Zealand, and the contact they have with people in that country. I think the same applies here in Canada:

> Even for the native inhabitants it will be found that the public servant has more effect on their lives than all the politicians, businessmen, church, law and press combined.

The second statement that I bring to hon. members' attention is this:

> In France before de Gaulle, governments came and went three or four times a year, but the government of France by its highly organized public servants carried on, hardly aware of the changes.

Some hon. members may say this cannot happen in our country; but I wonder if it can. Just a few days ago a press item appeared in the Ottawa *Journal* regarding civil defence, and dealing with an appearance by a former deputy minister, now a minister of the crown, before the Commons special defence committee. It was in the issue of Friday June 19 and read as follows:

> Mr. Drury was questioned in his statement that survival of government was ensured through special shelters, complete with essential records, and rapid transit to them of government officers and a selected 200 top officials, presumably to the four major underground bunkers in the Ottawa area.

He was asked by the hon. member for Simcoe (Mr. Smith):

> —where M.P.'s stood on the list of priorities for evacuation in an emergency—

And the hon. member was told:

> —they were well down the list, since the plan was to evacuate "only important people."

In other words they do not feel that M.P.'s are important people. In fact lots of times I have felt that maybe we were a sort of nuisance so far as civil servants were concerned.

The article continues:

> The laughter this prompted caused Mr. Drury to explain that the 200 officials were top ones "who work for the government"—

This apparently drew another laugh in the committee.

To me, this degree of influence by the civil servants is startling. As a member of parliament since 1958, I have become increasingly concerned about the number of times I have had to accept a ruling, or an answer from a departmental official without a means to challenge the decision of the bureaucrat. At present there is no adequate parliamentary procedure available to a member of parliament to obtain redress for his constituents' grievances against an unjust ruling handed down by departmental officials, other than appealing to a very busy minister.

In the case of an individual citizen who comes into conflict with some government official, there does not exist for him any procedure whereby he can challenge the action of the executive. There are executives in fact who appear to have the sole power to interpret the act they are charged with administering, and do so without the risk of being penalized for any wrong action on their part. In a great many cases I would suggest the rights of the individuals are being sacrificed to the efficiency of government planners. I have stated previously that I believe the basic trouble lies in the fact that the government has allowed itself to become captive of the civil service, and the ministers are hostages to their deputies and senior departmental officials.

The most recent personal experience I encountered in this regard took place in the private members' hour on Tuesday June 16, when I endeavoured to pilot Bill C-37 through this house. It was talked out by government supporters, with the main excuse that it would be too difficult for the department to administer. The hon. member for Winnipeg South Centre (Mr. Churchill) brought this to the attention of the house when he said, as recorded at page 4366 of *Hansard*:

> It—

—referring to Bill C-37—

> —will not receive the attention it deserves because the spokesman for the government, the hon. member for Chambly-Rouville (Mr. Pilon) raised the usual objections which come from officials. He said it would be difficult for the department to administer it; that it would be hard to determine the number of people who might qualify.
>
> Well, all these difficulties can be overcome. The records are there; they just have to be searched. They show when a man enlisted, how long he was in Canada and how long he was overseas. They have been carefully kept and this is not an insuperable job at all. I was amused to hear the objections which emanate from officialdom. I do not mind the officials raising the objections; that is their job. They have to point out to ministers and parliamentary secretaries the difficulties in the way of new legislation, and they are responsible for showing that these difficulties exist. But as far as the government is concerned, it should deal with the difficulties and take the necessary steps to put some new measure into effect, if it is found as a matter of policy to be worth while.

I wish to document statements I have made in support of my bill by actual cases I have

dealt with, where I have felt citizens have been deprived of their rights under our statutes or had their rights unneccessarily withheld for a lengthy period of time. The first document I have is a copy of a letter received by a legal firm in my constituency, and it has to do with an immigration case. It is signed by a deputy minister of that department, and I will just read parts of it:

> This application has been held up, pending completion of inquiries into the circumstances under which certain members of the applicant's family arranged for the illegal entry into Canada of a young Chinese lady under the guise of the applicant's sister.

The letter continues, and further on there is this paragraph to which I object most strongly:

> I am quite prepared to authorize the admission of Mr. Wong's wife to Canada, now that the facts with respect to the illegal entry of his "sister" have been firmly established: but before doing so I think I should give Mr. Wong a final opportunity to show his good faith by giving the department a truthful statement with respect to the matters which he has thus far been attempting to conceal.

Then there is another sentence:

> If you can persuade him that he should do so, this would go far in re-establishing Mr. Wong's good faith in his dealings with the department and would facilitate very greatly his wife's early admission—

To my mind, the last sentence amounts to something like blackmail. If we were to use it in our business, I am sure a charge would be laid against us. I turn again to the beginning of the paragraph where it is stated: "I am quite prepared to authorize". This is the deputy minister. He does not say "my minister" or "my government". It is the boss of the department speaking. Where do these people get this power? Who gave it to them? We gave it to them. That is why I say we have a bureaucratic dictatorship today and not a government of the people. I heard someone say "the minister", meaning the minister gave him that power. This confirms what I said before; we have lost the authority we had. It also confirms what the minister said the other day—that members of parliament are not important. We see here the same situation as exists in France where the country can run without members of parliament. Maybe we should change this system and save the people a lot of money by not having members of parliament. Let us admit we have a bureaucratic dictatorship.

I have here a copy of a letter where the postal cancellation stamp by the Department of Citizenship and Immigration is the product of the deputy minister's signature, not the minister's. Therefore, I contend that the most powerful man in the department is not the minister, but his deputy.

I would turn to another department, now, the Department of National Revenue. Some time ago I had a request from one of the local schools to bring into Canada some tuned hand bells which the applicant thought were duty free. Then I received a letter from the department saying they were not duty free. I will not repeat all the arguments used by the applicant or by myself as representative of the constituency to prove that they were duty free, other than to quote a sentence from the last letter I received from the minister. It reads:

> The fact remains that tuned hand bells are not provided for in item 696(1). While they may well be instruments, they are not "philosophical instruments" nor "scientific instruments".

I used the department's own terms to prove otherwise. If we look at any dictionary we see that the term "philosophical" means "belonging to or used in the study of material philosophy or physics." Philosophy means reasoned science. There are many definitions of "science", but the fourth one set out in the dictionary I use is this: "any one of the seven liberal arts—grammar, rhetoric, logic, arithmetic, music, geometry, astronomy". The definition of "music" is "the science and art of the rhythmic combination of tones." In other words, the department set out those two qualifications, that they must be philosophic instruments or scientific instruments, and when we proved that they were, the answer was still, no.

The next case is a peculiar one. It has to do with the commanding officer of a local unit. To make the story as brief as I can, this commanding officer was let out of his command without cause. A mutual friend asked me if I would try to find out why this officer was let out. After five or six weeks of trying, I finally went to the Prime Minister's office about it and received an answer. I will not read the whole of the letter which was written to me on the subject. The main part of it was to the effect that the unit was in a parlous state, that much difficulty had been experienced with reports and returns, and that the over-all situation was most unsatisfactory. In other words, this officer was a poor administrator. Incidentally, the officer concerned did not know I had endeavoured to find out why he was let out.

When I got this information I went to this mutual friend of ours and said: "You had

better tell him now why he was let out". This was done. At that time, the commanding officer did not really care whether he got the unit back or not. However, when he received this information he became very annoyed and said: "All right. Now they will either put up or shut up". I got permission to go over all his reports and as far as administration was concerned there was not one lower than "good". They were all either "very good" or "excellent".

Most of the transaction was carried on by correspondence. I could see by the reports I was receiving that I was losing my case fighting for this officer. However, that fall there was an army corps conference down here at which a trophy was to be awarded for the best administered unit in all Canada —perhaps I should say "western Canada" to be sure. Lo and behold, the unit under this particular commanding officer won this trophy for the best administered unit. I think that was the clincher. They withdrew what they had said. They said the officer could retain his unit, and they hoped I was satisfied.

I was not satisfied, Mr. Speaker. First of all, the commanding officer would not take the unit back, in the circumstances. Furthermore I, as a member of parliament, had a further point I wished to raise. I had received a reply from the Prime Minister's office—I presume it came from officials in the department—to the effect that the man was a bad administrator, that the unit was in a parlous state, and so on. The men who acted as judges to decide who should win this trophy were not I believe army men, though they had been in the past, nor were they connected with the government. The award was made on a fair basis. In other words, the Prime Minister was getting false information from one of his departments.

My question is this: How can any prime minister run a country if this is the type of information he is getting from the departments? Something should be done about it. Something should be done about the persons who originated the report I have in my hand. When I brought this latter question up, the reply I got about a month later was that the man concerned retired "about 30 days ago."

I have another case here which is peculiar to the west. This concerns an application from one of the ranchers in my constituency —an application to establish a basic herd. This application must be made to the Department of National Revenue. In order to be as brief as possible, I will just read the reply which this applicant received:

> It has been decided that a basic herd cannot be granted, due to the following reasons:
>
> (a) Insufficient sales shown in the years the returns were filed.
>
> (b) Possibility that livestock was taken in trade for machinery and claimed as an expense.

Hon. members will note the word "possibility". In this connection I do not think I could do better than quote the reply sent by this man's lawyer to the department. Here is his letter to the Department of National Revenue:

> We are absolutely astounded and amazed at the contents of your letters of the 8th instant..... May we suggest further that before you should be entitled to make the statements contained in your letter which appear to be nothing short of accusations of fraud on the part of our client, there should be some very definite basis for said statements.

Mr. Deputy Speaker: Order. I have to interrupt the hon. member because his time has expired.

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): I am sure the remarks of the hon. member for Swift Current-Maple Creek will have met with a receptive audience in all corners of the house, not only because of the tone in which he presented his arguments but also from the personal experience of hon. members on occasions in dealing with various aspects of government. It is, after all, one of the most important functions of a member of parliament to try to assist constituents in connection with problems raised by particular administrative decisions which affect them adversely.

The remarks made by the hon. member will find a considerable echo over the years in connection with development which has taken place in Canada, as well as in many other countries, of a body of law referred to as administrative law. It is now more than 50 years since Lord Chief Justice Hewart the former chief justice of the high court in Britain wrote a book entitled "The New Despotism", in which he objected to the very evident growth in Britain and elsewhere in the world of an administrative procedure whereby the rights of individuals were affected, not by decisions of courts of law, which had to proceed upon pre-determined principles and from which there were rights of appeal, but by administrative officers who could not be reached by the law.

It seems to me the objection which the hon. member is making is not so much that

there has been a greater ramification of bureaucracy itself—because if the many measures which find support in this house for increasing activity by the government in all phases of life are to be effective, then inevitably there is going to be an increase in government action and decision making by government officials—but rather his criticism is as to the manner in which these officials act, the manner in which they take their decisions and the manner in which they carry out those decisions. In one of the long standing cases of British administrative law which has been applied by the courts of this country, the case of Board of Education *v.* Rice, it has been said that the obligation of an administrative official is to act fairly, to hear both sides of any particular question; because after all that is a basic obligation upon anybody who has to decide anything.

Many measures have been proposed in this house, in addition to that proposed by the hon. member for Swift Current-Maple Creek (Mr. McIntosh), which are directed to the same end. We have had in this and earlier sessions a number of legislative proposals for the introduction of the office of ombudsman. I was interested in the hon. member's reference to a speech made by the New Zealand high commissioner because, as hon. members know, the office of ombudsman has been introduced into that dominion and has, to my knowledge at least, worked effectively. The real responsibility of the ombudsman is to make sure that the administrative decision is taken with an absence of arbitrariness, that it is taken fairly and—as the judge said in the case of the Board of Education *v.* Rice—that where it is appropriate both sides are heard by the particular official.

There have been other proposals along this line. I recall that there was a proposal by the hon. member for Northumberland (Miss Jewett) in her maiden speech in this house. The proposal was that we should consider the enactment of an administrative procedure act which resembles, perhaps, that which exists with regard to the federal service in the United States. That, again, might well be a desirable objective, but it will not entirely meet the concern the hon. member for Swift Current-Maple Creek expressed today and which I think is echoed by hon. members. There are many, many areas which cannot be reached effectively by legal process because the decision is not a legal one or is not of such a scale, in terms of either time or money, that it is possible for a court or series of courts to review it.

[Mr. Macdonald.]

Another suggestion which has come from many hon. members is that there should be increased research facilities for members of parliament so that, to borrow a vernacular phrase, the rights of any particular constituent will not be buried under a "snow job" by an individual administrator who is in better possession of the facts than is the member of parliament.

I think all these matters deserve attention by this parliament, but I would submit that the particular measure put forward by the hon. member would not be likely to correct this particular wrong, which we all recognize and which many of us feel should be corrected in a variety of ways. My reason for saying so is by reference to the words of the proposed amendment itself. Hon. members will note, in looking at it, that, to borrow a lawyer's term, there is no element of *mens rea;* there is no element of guilty intent required to establish the offence under the particular section. The offence can be established and the particular official can be punished, and very severely, in accordance with the provisions of subclause (b), by the mere proof that there has been action which deprives an individual of his rights, whether or not action was taken by the official with a completely honest intent, was taken by him because of a genuine and honest mistake as to the law, or whether it was taken by him, again, with complete genuineness, but without being in full possession of the facts. I would suggest that the measure proposed by the hon. member for the purpose of inhibiting oppressive action is itself almost more oppressive than that which it seeks to restrain.

A further problem which arises in this regard is the very obvious difficulty of any administrative officer in determining the extent to which any particular action may or may not accord with the basic guarantees set down by the Canadian Bill of Rights. The Canadian Bill of Rights is modelled very closely, or certainly took inspiration from, the bill of rights which has been included in the amendments to the United States constitution. That constitution is a living document, and for the past 150 years or more it has been the subject of continued and very intense definition by the courts.

I suggest it would be well nigh impossible for any particular individual in any particular instance to determine, for example, whether he was depriving an individual of property or liberty without due process of law. It would be almost impossible for him

to determine whether in any particular instance his conduct did or did not amount to a violation of the Canadian Bill of Rights. While it certainly is desirable, as the hon. member suggested, that there should be fairness in arriving at decisions—and I think all hon. members would support that—I think all hon. members, on reflecting on the difficulty which would be created, would agree that there would be a great risk that the heavy criminal penalties the hon. member is proposing here against members of the civil service, who may be acting in perfect honesty, would result in the civil service in critical areas being paralysed rather than assisted and decision making being impaired by this particular measure. For these reasons I feel this particular legislative proposal is not one that should commend itself to members of this house; it is not one that is appropriate for dealing with this problem.

As to the particular cases referred to by the hon. member, I am sure there may well be problems of the kind referred to but I am not in the position to answer each one individually. However, Mr. Speaker, I am convinced that even in those cases there was very probably that honest difference of opinion which, while it might call for administrative action, does not call for the harsh kind of action which this bill proposes.

Some hon. Members: Question.

Mr. Deputy Speaker: Order. The hour assigned for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A to inform the house that the questions to be raised at ten o'clock this evening are as follows:

[*Translation*]

1. The hon. member for Joliette-L'Assomption-Montcalm: Repeal of the 11 per cent sales tax on building materials.

2. The hon. member for Joliette-L'Assomption-Montcalm: Transportation—the Gaspe peninsula railway.

[*Text*]

It being six o'clock, the house will now revert to consideration of the business interrupted at five o'clock.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

INTERIM SUPPLY

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Knowles: Mr. Chairman, during the course of the discussion this afternoon the subject of the procedure of this house came up for a little discussion. Because like you, sir, I am a member of the special committee on procedure and organization, it was not my intention to raise this matter at this time, and even so the remarks that I shall make will be brief.

The hon. member for Port Arthur said something this afternoon which I hope will be noted. He suggested that perhaps the most important question that faces us procedurally, the most important question that faces us in the management of the affairs of the House of Commons, is this question of planning or allocating our parliamentary time. As our business in parliament grows apace from year to year and as issues which we discuss become sharper, it seems to me that we are going to have to face this problem and come up with an answer to it. I think we should be mature enough to realize that doing some planning and organizing of our debates does not involve the denial of free speech or the down-grading of democracy.

We already have, Mr. Chairman, many rules and regulations which some believe might have interfered with free speech. We have a rule that no member can speak at one time for more than a certain number of minutes. We have a rule that when Mr. Speaker is in the chair no member can speak more than once to the same question. We have rules as to when the house sits and when it adjourns. We have rules that limit the debate to eight days with respect to the address in reply to the speech from the throne and to six days on the main budget debate. In addition to that we have a rule that limits debates on supply motions to two days each. We introduced this year the temporary rule that limits the length of debate on a notice of motion for the production of papers. I do not think anyone would allege

that because we have these various limitations, in some dastardly way we have denied freedom of speech to members who are elected by their constituents to come here and represent them in parliament. These rules are simply common sense regulations that we have agreed to, so that one person will not talk all the time, so that there will not be anarchy and so that we can get along with the business we have come here to do.

It just so happens, Mr. Chairman, that some of us here feel that the amount of that business has so increased that we are going to have to extend this principle of planning, regulating and organizing our parliamentary time. That is why I think we should put our minds to this problem. That is why I think we should consider it and discuss it and negotiate it in committees and in conferences, and resolve that we will come up with a solution. What some of us have proposed is already in the public domain and I do not intend to refer to it at length. Indeed, what I shall say is offered not in any argumentative sense but rather as an example of one way in which I think this problem can be solved.

I think we could by a standing order provide for a special committee which could make recommendations as to the length of time that would be spent on certain debates. I think we could, if we could agree to such a standing order, reach agreement in advance before a certain debate on second reading, or in committee of the whole or what have you, got started, and having reached agreement could then have the debate end at that agreed point, just as the debate on the address now ends at the end of eight days and the debate on the budget now ends at the end of six days.

It seems to me that by some such process we could introduce regularity, order and some common sense into the use of the time which we have. We have only so much time. There are only 12 months in the year, and the amount of business that we have, if you take into consideration the necessity to spend some time in our constituencies, compels us to plan and organize our business. I hope that we will move to some form of this kind of planning. I certainly do not urge that the particular proposal, the drafting of which I have had something to do with, is sacrosanct; if someone else can draw up a better one, that is fine. But I do plead that we look at this whole problem objectively and realize that, if we can reach agreement on the planning and organization of our time, we are not denying freedom of speech, we are not bringing down the curtain on democracy; we shall be making the work of this house more effective.

Some hon. Members: Hear, hear.

Mr. Knowles: I think, Mr. Chairman, we should be honest enough to admit that the criticisms which are made of us sometimes in the press and by commentators are merited. Instead of just saying they are wrong we should pay some attention to them. For example, I think of last night's "Viewpoint" on the C.B.C., wherein James Stewart of the Montreal *Star* gave his assessment of the debate of yesterday and the previous two or three days. It was pretty critical, and I think it was a valid criticism. I think it is good for us to hear that kind of criticism. But in addition to hearing it, I think we should take it to heart and try to make some improvements in our proceedings.

This afternoon there was obviously a little difference of opinion between some of us in this group about a certain word, the word "closure". I mention it again only to draw the distinction between closure as it is now in our standing orders—it is standing order 33—and the planning or the allocating of our time in the way the hon. member for Port Arthur urged the house to consider. Closure is something which is imposed by the government when it has a majority one way or the other, and it is brought on after a debate has bogged down, after there is ill will and antagonism and all the things which we know have developed on those few occasions in Canadian history when closure has been used. But the kind of thing the hon. member for Port Arthur urged this afternoon on behalf of this group, the kind of thing I have had a part with you, sir, in drafting for consideration of those who were dealing with this matter, is quite different.

What we propose is not that the government use whatever majority it commands to compel the house to quit a debate that has already bogged down. What we propose instead is agreement among the parties through a committee that will consider the matter, and what we also propose is that agreement be reached in advance. I submit, Mr. Chairman, that is not a denial of free speech, not a ringing down of the curtain on democracy. It is something that is sensible, that is a case of planning, a case of organizing the time that we have.

As I have already said this afternoon and repeated when I started this evening, if it

had not been for the fact that the question was opened up I would not be speaking on it, for the reason I already gave. I have the great privilege of being a member of the committee on procedure and organization and we are working hard on this very question. We have been on the question of the allocation of time, or what have you, for over two months. We have had meetings of the main committee and the subcommittee times without number. The proposal I have referred to is before the committee and an alternative proposal was presented by a member of the committee yesterday. We are wrestling with the matter. It is slow business. I do not blame members for being impatient, but because I am involved in the negotiating I should like any remarks I make to be of a general nature rather than a case of indulging in controversy.

But I do support the proposition that the hon. member for Port Arthur put forward this afternoon, namely that this whole question of coming to grips with the planning of our parliamentary time is one of the most important questions that faces us as members of parliament.

Mr. Langlois: Do like we did in Quebec. Get rid of the Conservative party.

Mr. Knowles: That remark is not consistent with the spirit in which I am trying to approach this question because I think that if we are going to achieve anything of the kind I am advocating it has got to be done by general agreement, almost by unanimous agreement, among the parties and groups that make up the House of Commons. My plea is that we should think about this matter and consider the representations that are being made to us by people outside who criticize our activities, and let us see if we cannot do something along this line.

I say again, Mr. Chairman, that I am as opposed to the use of closure as I was in 1956. I have said on occasion, and I think it is in print in various places, that it is not closure itself that is bad but rather it is the abuse of closure that is bad. That is a nice, academic statement to make, but the fact of history is that every time it has been used since it was first brought in in 1913 it seems to have been a case of abuse. It has always produced a nasty, difficult situation in the House of Commons.

I think we have got to find something better than the stopping of debate by the vote of the majority. I think we have got to find a better way whereby we can get together, bargain in good faith, negotiate and come up with a method of planning our business. I agree 1000 per cent with the words used in this connection this afternoon by the hon. member for Port Arthur, that this is the most important problem facing us, and I think we have got to grapple with it. When suggestions are made there is no point in trying to find some easy way out; but we will grapple with the problem if we face suggestions seriously, as we are doing in the special committee on procedure and organization. If some members are impatient with our delay, I accept that criticism on behalf of my subcommittee at any rate. But it may be that if it takes us a little while longer to come up with something, we will produce something that will be lasting and worth while and will help to make parliament a place where freedom of speech remains, but where we will do our job a little more efficiently than is sometimes the case.

If it had not been for this subject being raised this afternoon I would have spoken only on the one other subject about which I now wish to say a few words. I am glad that the President of the Privy Council is in his place, as he has been throughout this debate on interim supply because he is piloting it through the committee and the house. I remind him that on June 11, as recorded on page 4186 of *Hansard*, he made a commitment as to something he would do in committee of supply.

Mr. McIlraith: That is right.

Mr. Knowles: This was the second time to my knowledge that the question of ministers having secretaries or employees on the government payroll working in their constituencies had been raised. The first time it was raised was on June 9, as recorded on page 4088 of *Hansard*. It was raised on that occasion by the hon. member for Red Deer and the President of the Privy Council gave a short answer, but went on to say he would do his best to see what further answer could be brought forward. Then, as I have said, on June 11 the matter was raised by the hon. member for Quebec-Montmorency. My leader, the hon. member for Burnaby-Coquitlam, took part in the discussion. It was obvious that we were not satisfied, and so it was that on that occasion the President of the Privy Council said:

I will be glad to discuss the matter further on interim supply. I do not yet have all the information I want. Since this question was raised in the house I have had the appropriate officials get the

information and put it together, but it is not complete at the moment. However, I will be able to give more information later.

This question arose because of news reports that got out to the effect that in at least two cases people had been taken on staff at government expense and assigned to offices or places within the constituencies of the ministers concerned. Some of us felt this was a questionable procedure and I for one looked up the Civil Service Act under which we were told this had been done. I am looking at the Statutes of 1960-61, chapter 57, and I find that section 71, subsection 1, reads as follows:

A minister may appoint his executive assistant and his private secretary, and other persons to be employed in the office of a minister shall be appointed by the governor in council.

Surely the key words in that subsection are the words "to be employed in the office of a minister". We learned that there were two orders in council. There may be others, but we know of two. One is P.C. 1964-5/490 which appointed Mr. André Côté as special assistant in the office of the Minister of Citizenship and Immigration at Baie des Sables, Quebec, with salary at the rate of $7,500 per annum, effective March 2, 1964. The other was order in council P.C. 1964-18/738 which recommended the appointment of certain persons as indicated on the document in the office of the Minister of National Health and Welfare, with salaries at the rates stated, effective May 1, 1964. One of those listed by name is referred to as "principal clerk at Niagara Falls, Ontario", and the salary is $5,220 a year.

I wondered how it was possible to appoint people by order in council to work at these places, one in the province of Quebec and the other at Niagara Falls, in view of the wording in the act which says that such appointments shall be made of persons "to be employed in the office of a minister". That is the reason, of course, that I put on the order paper two rather harmless looking questions. One read, "Where is the office of the Minister of Citizenship and Immigration", and the other read, "Where is the office of the Minister of National Health and Welfare". It seemed to me those were very simple questions which could be answered almost immediately. Surely these ministers know in each case where his office is, but it took ten days to get answers to these questions. When the first opportunity went by without the questions being answered I got up on a question of privilege. In reply the parliamentary secretary to the Secretary of State said that there was some difficulty involved, and I quote his words as found on page 4399 of *Hansard*:

—the delay here is due to the problem of interpreting the precise meaning of the word "office". Does this refer to the place, or does it refer to a particular legal function performed by the minister? When this question has been dealt with, the answers will be forthcoming.

Well, a week later, on June 24 on page 4661-62 of *Hansard*, we got the answers as to where these offices are located. In the case of the Minister of Citizenship and Immigration, this is the answer:

The Minister of Citizenship and Immigration performs the duties of office in various places, but principally at the following addresses: Citizenship building 22-30 Slater street, Ottawa; 439C, House of Commons, parliament buildings; and second floor, Immigration building, Champlain harbour station, Wolfe's Cove, Quebec.

Now, how can one stretch the words "can be employed in the office of the minister", to offices in the plural? I point out also, that unless my geography is completely lacking, I do not see any connection between Wolfe's Cove and Baie des Sables. In other words, there is no attempt in the order in council to suggest that this person is employed in any one of the offices of the Minister of Citizenship and Immigration.

In the case of the Minister of National Health and Welfare this was the answer given on June 24:

The Minister of National Health and Welfare performs the duties of her office in various places, but principally at the following address: Copeland building, Ottawa, Canada; room 253S, House of Commons, Ottawa, Canada; 551 Clifton avenue, Niagara Falls, Ontario.

Well, it is very obvious, Mr. Chairman, that the reason for the delay in producing answers to this simple question was to produce something that would fit the facts that had been brought out in the meantime. But the fact still remains that the act under which these orders in council were produced speaks of the office of the minister in the singular. I will read it again:

—other persons to be employed in the office of a minister shall be appointed by the governor in council.

I suggest that it is just playing with the law to say that, on the basis of that, persons can be employed anywhere in the country where the minister says, "This is a place where I am doing the work of my office". What is "office"? Is it a function or is it a working place, the place where people are employed?

If this is true, I want to give some information to the Leader of the Opposition, if I could have his attention for a moment, because there is a subsection in this same section 71 that happens to deal with him. Subsection (5) of section 71 says:

> This section applies to a person employed in the office of the person holding the recognized position of Leader of the Opposition in the House of Commons as it applies to a person employed in the office of a minister.

Now, Mr. Chairman, if what the government has done is valid, all the Leader of the Opposition has to do is say he has an office in Prince Albert, that he performs his work at offices in various places, say in the House of Commons and in the home that is provided for him in Rockcliffe, in Prince Albert or wherever he chooses, then under the same provision he can get, at government expense, clerical or secretarial help in his office. Now, mind you, the law does not go any further but fairness would go further. If a minister can have people on the government payroll in his office in his constituency, if the Leader of the Opposition can have this help, then the member for Cape Breton South should have clerical help at an office in Sydney or Glace Bay. I have an office at 1036 Notre Dame avenue, Winnipeg, and I should like to have some help there.

Mr. Diefenbaker: If the hon. gentleman would allow me, I would say he does not tempt me. I was not tempted when I was prime minister, and paid my own office expenses. I am not tempted now, but it is a very interesting observation.

Mr. Knowles: The Leader of the Opposition is such a good Baptist, I knew there was no point in putting temptation in front of him.

Mr. Diefenbaker: I am always able to resist.

Mr. Knowles: I trust that *Hansard* got his words, that he is always able to resist.

We are having a bit of fun about this. Even this last bit of fun that has been raised is not inappropriate. If it is fair for a minister to have assistance with his work in the constituency, it is fair for a member. The amount of work is growing so that this is becoming a real issue. Perhaps we do not need the same amount of help, but I suggest we need help if we are going to do our job effectively and efficiently. If it is fair and proper for some people to have this kind of help, then the provision should be extended to all.

The point I am making now, Mr. Chairman, is not the question of extending it but the question of the validity of those two orders in council. They are purportedly based—they say so—on the provisions of section 71 (1) of the Civil Service Act; both of them name that section. I have read the section. The section says people can be employed by order in council in the office of a minister. The ministers have stretched things a bit by telling us they have several offices. However, the Minister of Citizenship and Immigration has not even told us he has an office at Baie des Sables, Quebec.

One of the reasons given by the President of the Privy Council for following this practice was that the former government did it; it had been done down through the years. The President of the Privy Council said that one change had been made. Previously, it had been done by a minute of the treasury board, and now it is done by order in council.

Mr. McIlraith: No, it is the very opposite.

Mr. Knowles: I see the minister shaking his head.

Mr. McIlraith: I should like to be quoted accurately. Perhaps I can help the hon. member if he wishes. I will help him clarify the point he is making.

Mr. Knowles: I am glad the hon. member asked me to read his words. There is a slight difference between what I said and what he said. He did say one change had been made. I am quoting now from page 4185 of *Hansard* for June 11, 1964:

> The practice of appointing persons to the staffs of ministers outside of Ottawa is a long established practice which goes back many years. When this government took office it reviewed the practice followed by the previous administration and continued to maintain it in force. There was one change; now the appointments have to be approved by the treasury board before the order in council is submitted to the governor in council.

I thank the hon. member for suggesting that I read it correctly. What does that one change amount to? The fact is it is still being done by order in council, supposedly based on a particular section of the act. If I understand the meaning of words at all, surely that meaning is clear, that the persons to be employed in the office of the minister shall be appointed by the governor in council. But the ministers do not know where their offices are. Having appointed these people to offices in their constituencies, then they try to come up with a definition that includes this. I suggest that is playing with the law. This is not good. The law is something very serious, and I think that the government, of all people, should pay attention to the strict observance of the law.

Mr. Otto: Mr. Chairman, I was not going to take part in this debate, but since the subject has turned to what I consider a more sensible point of view, particularly in connection with the house, its rules and procedures, I would like to say a few words.

I am a relative newcomer here and have not been aged in the parliamentary process that is apparently so much required. I agree to a great extent with what the hon. member for Port Arthur said, that the house is here to protect the rights of individuals, to debate principles and legislation and to supply money to the government, but I wonder whether the people of the country think we should be doing more in the way of legislation.

Quite recently many comments were made about the other place. It would probably surprise hon. members to know that the work done there by the members of the other house is probably more than has been accomplished here, and they have given more knowledge and initiative to the people of Canada than we have given. Indeed, I think it is time we must consider whether we should not change and drastically reform the rules under which we work.

This is going to require the wisdom of Solomon because, as the hon. member for Winnipeg North Centre pointed out, if limitation is put on debates—and in all likelihood this will be organized by the whips—then my chance of getting to speak will be very slim, as will be that of the hon. member for Port Arthur. On the other hand I do agree with the hon. gentleman from Winnipeg North Centre when he says we must make some attempt to plan the order of business of the house. If we are going to do that however, we shall have to plan a little deeper than we have up to now, and I say this with the greatest respect. The only example I can use is that of the question period, which used to take anywhere from an hour to an hour and a half. A decision was taken to postpone part of it, but it still takes an hour and a half, and we have that second question period as well. We have not done very well in that reform.

It is said hon. gentlemen ask questions because they do not know the answers. Of course this is not so. If they did not know the answers they would not ask the questions. They know the answers quite well. In this void of activity in the house we have come to a new era where the establishment has grown. What is the establishment? Well, it is difficult to define, but its power is easily felt in anything we do. Indeed I would say that most of the comments, most of the barbs aimed from the other side in this debate have not been so much at the ministers but at this establishment, and that includes the comments during the last few days about the film. The establishment is that body which decided to keep these people incarcerated for some 90 odd days. It is not the minister; it is that overpowering establishment, without control.

I know the ministers and what they do. Analysing very clearly the duties they have, even if they work a 16 or 18 hour day, when a minister gets through with the interviews, cabinet meetings and the house—he must sit in the house—and the speeches he is expected to make, he has not got time to find his office, as the hon. gentleman who preceded me pointed out, let alone try to initiate the program of the government. Consequently this has now been transferred to the establishment.

Mr. Winkler: Would the hon. member permit a question. Would he explain what he refers to as the establishment. What does my hon. friend mean—and I may say I refer to him very truly and sincerely as my hon. friend.

Mr. Otto: I am just trying to point out that the establishment is difficult to define, but it is administration gone rampant—is that what you might call it? It is these people who have made the decisions, the administration with the powers they have assumed, and they have done this in the past, and not just with the present government. I do not think it has come about all of a sudden. It is a growing thing and it is going to be hard to straighten out.

The legislation should initiate here. This is a most able house. In private life I have had some experience in business, and I will say without hesitation that most of the members here would do credit to any enterprise that they choose or would have chosen in the business world. It is unfortunate that there is no means of expression in the house. The talents here are obvious, and I speak of every corner of the house, but they are now being used to split hairs, to debate rules of procedure, points of order, which party should sit closer to the Speaker, and whether one member was enticed from one party to another. These are the things in which the members have to interest themselves, because there is so little room for expression.

We have had a very good example of how the talents of all hon. gentlemen were used in the special committee on defence, a very good committee which has helped the minister. We all acknowledge the minister had very little trouble with the house, and that he had a great amount of help and assistance from members in all parties. Since we have had this good example I ask why the committee on rules and procedure could not consider this as another way of extending the work that is available, possibly with committees attached to every department from which the ministers can get advice in initiating legislation—not from the administration, not from the establishment, but from the members elected by the people of Canada.

I have the greatest respect for the hon. member for Winnipeg North Centre who is heading the committee on procedures, but I sometimes wonder whether he truly agrees with me on what reform is. Consider, Mr. Chairman, the page boys just behind you, possibly a throwback from Nelson's flagship. These young boys walk right by our noses every single day, but have we stopped to consider that they get on their buses at 11.30 at night and do not get home until midnight? They have to go to school in the morning, at seven or eight o'clock, and they can only spend a half day at school.

How many of them drop out and what have we done for them? If we must have page boys let us see that they get an education, that possibly they be tutored. Have we become so callous, so hard that we do not even notice these things. My idea of reform is that the nation can no longer tolerate these lads going through life without an education.

I had this happen to me the other day. A page boy who was becoming too old to be a page boy came to me to see if I could get him a job in the Department of Public Works. But he had only received a grade VII education and the civil service would not take him. We have done this. We should consider carefully, if we are to have page boys, whether they are to be educated and whether they should be given the same opportunity as we would give to our own children. This, indeed, would amount to reform, and it is on this note that I would like to conclude.

An hon. Member: Carried.

Mr. Lambert: It is curious, but it always seems that when anyone on this side wishes to speak we are urged to go a little faster, but when someone else, over there, wants to speak it does not matter if time is taken up.

I have been extremely touched by the charges coming from the government side, especially from the Prime Minister, that the business of the house has slowed down to a crawl—that there is obstruction. Well, what hypocrisy. That is all I can call it. I sat on that side of the house for five years and watched the four horsemen at work, as well as those people behind him. They can still teach this side some lessons on how to slow things down to a crawl. There is no point in recrimination. I am not going to say "yes, you did" or "no, you didn't". But I will say that it lies ill in the mouth of the government at this time to say we are not getting on with the business of the house.

Let us look at the committees situation. This year committees were not called until April 10. They did not meet for organization until April 21. In the past, under previous governments, the estimates committee had at least one, if not two departments to get through. This administration has not referred one department to the estimates committee. It has not sat—oh yes, it did sit, for an organization meeting. Since then it has not done a thing. Oh, the hon. lady, who I see in her place, did come in at the last minute. I was a member of that estimates committee and I have gone over the estimates of many a department. Many departmental estimates could have been referred to other committees. Why, for instance, have not the estimates of the Department of Labour been referred to the committee on industrial relations? The committee on marine and fisheries could have handled the estimates of the Department of Fisheries. The estimates of the Department of Trade and Commerce could have gone to the estimates committee, as well as those of the Minister of Justice, the house leader himself. We could have done something. Instead, everything has been held back. The government cannot say that the departments have not been called. We have had four supply motions and the estimates are available. If hon. gentlemen opposite would listen to some of their own officials they would know that many senior officials welcome the opportunity to go before the estimates committee or a special committee because it gives them an opportunity of putting forward their opinions and reviewing their position, thus developing the administration of government. Instead, everything is kept in the enclave of the treasury bench.

Let us look where some of the faults lie. It is not so much in the legislation. We have not seen any legislation of any consequence. The representation bill has been hidden away since April 27. What legislation has been blocked? The government would like to get to the flag resolution. Well, I will read what John Meyer, financial editor of the Montreal *Gazette* has to say about the introduction of the flag resolution at this stage:

> Matters of present concern to the conduct of business have now been put aside in favour of what will be prolonged and acrimonious debate on the flag. This is a luxury the country is not yet in a position to afford.

I will tell those on the treasury benches this: They ought to see what their reputation is like abroad. I have come back after three weeks spent talking to Canadians and friends of Canada and they say: What on earth has gotten into your government, that they should go forward with this sort of proposition at this time? Hon. gentlemen opposite may frown. The Minister of Trade and Commerce may frown in disbelief. But if it were not a breach of confidence with the people who told me these things I would give him the names. I do not intend to go into the flag issue right now, but I will say this: Do not go crying on anybody's shoulder or shedding crocodile tears about the business of the country.

Student loans, the revision of the family allowance plan, the pension act, the legislation dealing with rail transportation—all these things are ahead of us. We remember on May 15 the Prime Minister reading that long list of parliamentary business. He impressed on the house and on the country at the time the importance of dealing with all these things before the summer recess. Then he put that little caveat at the end. And what did we get? We got the flag resolution. That will settle the country's affairs. This is the kind of priority we were given. It was nothing but a political sham to introduce it at this time. We could discuss a flag—and I am quite prepared to do so on a later occasion this year, when we have dealt with these other matters. Has it priority over the pension plan in the scheme of affairs of this country? Has it priority over the growing need for a change in our transportation set-up or any of those other matters which the Prime Minister impressed upon us as being highly important. They have been thrown in the ash can. Even so, does the Prime Minister think that when he proposes, we should dispose without question of a matter such as the flag issue? Did he or his advisers think for one moment that they would get away with a picayune debate in this chamber? If so, they are sadly mistaken. Certainly the Liberals have gotten much further away from the grass than they were in 1956 and 1957.

I suggest to the house leader that even now there is time to pick up some of these loose threads. Why does he not have estimates referred to the estimates committee? The members are prepared to work. I have here a list of what has been done by the various committees. The committee on agriculture and colonization, organized on April 21, has met to discuss tobacco research. The committee on banking and commerce organized on April 23 has dealt with some bills which came to it from the other place. The miscellaneous private bills committee has done the work assigned to it. The industrial relations committee was organized on April 23 and as far as I can see it remains organized. The veterans affairs committee was organized on April 21 and it has stood down. The committee on food and drugs, a special committee, is carrying on. The committee on procedure and organization, a special committee, is carrying on. The committee on marine and fisheries was organized on April 30 and is dealing with pieces of legislation. The public accounts committee was organized on April 30 and is working. The committee on mines, forests and waters was organized on April 30 and is standing by. The committee on privileges and elections has had its days in court. Next, railways, canals and telegraph lines. It has been dealing with the reports of the crown corporations connected with transportation.

Mr. Davis: What about external affairs?

Mr. Lambert: External affairs met earlier, and it has dealt with the Columbia river treaty. Yes, it worked. And it is dealing with the estimates.

Mr. Nesbitt: We are waiting for the estimates.

Mr. Lambert: My hon. friend from Oxford tells me they are waiting for the estimates. Why haven't they been meeting? Item 1 was discussed in the house and the debate was adjourned so that the estimates could go to the committee. Is this organization of the business of the house? You do not have to have any wide revision of the rules, just to bring in new rules to break or not observe. If we observed the rules that we have, we

could do a good job. Half the speeches could be much more relevant, and that would cut down the time taken.

Some hon. Members: Hear, hear.

Mr. Lambert: Well, you can always hang a little bait and the suckers will bite. I will tell you who are the chief offenders.

An hon. Member: You are.

Mr. Lambert: The chief offenders are the ministers in their opening statements. They open the shop wide.

Some hon. Members: Oh, oh.

Mr. Lambert: I think I have a little experience in this regard and I will say this; I am not singling out the speeches from the opposition side or the government side as being particularly irrelevant. This is a criticism that applies to us all. I suppose this afternoon we have indulged in a little bit of confessing of one's soul, and therefore I would ask hon. members to look at their own speeches and see that they are relevant; that on second reading they are not making the speech they could not make at the resolution stage, or that on clause 1 in committee they are not making the speech that the whip did not allow them to make on second reading.

I can see that some of the younger members on the other side of the house seem to think that at the present time things are not all as they should be, and they feel gagged, frustrated. I ask them and those who have sat over here to just read the previous *Hansards* and they will see that some of their colleagues who are now silent—they are the proverbial mummies—when they were over here were the gadflies of *Hansard*. It all depends on what side of the house you sit as to how you look at it.

I am going to suggest, Mr. Chairman, that in regard to this question we should ourselves pay a little more attention to the rules and let the government organize its business. Let us see some of these estimates go to committees; let them have more estimates. We can have estimates for two days a week. I fully subscribe to the remarks of my colleague from Winnipeg South Centre, and I would say that the principal task of this house is to grant supply and to examine government administration and business. That is done in the consideration of the estimates.

Having said that, Mr. Chairman, I would like to pass on to one or two other matters. If the Minister of Justice is within earshot I would like to address to him a personal plea. In 1962 there was introduced in the other place Bill No. S-2, dealing with amendments to the Bankruptcy Act. It was passed in the Senate, given first reading in this house and then that parliament was dissolved. Last year the present administration brought forward the same legislation. It was amended in the Senate and brought here and given first reading, but has died. This is important legislation in certain provinces which are seeking these changes to the Bankruptcy Act. My prime concern is this. I do not know what happens in the minister's office. Has he a great big sack for correspondence that is almost bottomless, because I have written and written to his office but have received no reply. I think that I, as a member of this house, am entitled, just like any other member, to the courtesy of a reply. I am not putting the blame entirely on the minister; but surely to goodness somebody in that circle of assistants who have been hired is at fault. These letters of inquiry on government business should receive an immediate reply. I asked a very simple question: Is it the government's intention to reintroduce this legislation: and if so, when? Yet, Mr. Minister, two letters, the first dated May 6 and the second May 20, have gone unacknowledged. I regret that I have to say this publicly, but it is something that must be corrected.

There is another point I would like to raise with the Minister of Justice. This also dates back to 1962. I had correspondence with his predecessor in this regard and I have had correspondence with him. This is a very technical point from a lawyer's point of view, but I think it is a rank injustice that it continues to exist. I refer to the abrogation by judgment of the former president of the exchequer court of rule 264 of the rules of that court, dealing with the taxation of solicitor and client costs by the registrar. It has been in the rules for many years and solicitors have advised their clients on it; parties have acted on the strength of it. A right is established under this rule. We know in the common law provinces that we can do this: If a client is not satisfied with my solicitor's bill on a conveyance, that bill can be taxed before a taxing officer. There is thus some justice; he does not have to start a supreme court action or a district court action, nor do I have to start such an action to get my bill established.

In an unreported judgment back in 1961 this rule was declared to be ultra vires. I am not going to go into the merits of that judgment as to whether this should or should not be the case, but I think the procedure was

wrong. First of all, I think it is wrong that the judgment should be unreported, and second I think it is wrong that no remedial action has been taken to amend the Exchequer Court Act to take care of this situation. The president of the exchequer court indicated that the act did not provide for this, and that therefore it was ultra vires. Correspondence with the ministers of justice has indicated that they are considering changes to the Exchequer Court Act. I would like to see the appropriate action taken. It is not a very complicated matter and action could be initiated in the other place. May I commend this to the Minister of Justice, because I think a grave injustice is being done to a great many clients, particularly those in the case on which this judgment was based.

Now, Mr. Chairman, I would like to turn my attention to the Minister of Citizenship and Immigration in the few minutes that remain at my disposal. This question is concerned with the application of section 5(d) of the Immigration Act, the so-called statutory bar. We know that in the past there were many cases in Hong Kong where a wife took a false statutory declaration in the furthering of a scheme for the entry into this country of her husband. As a result of the investigations which were conducted, as a result of the amnesty that was granted to all persons of Chinese origin in this country who might have entered illegally—that is, if they had come forward, disclosed all the facts and had their status regularized—these people were told by the minister in a letter, which thanks them for their courtesy and co-operation in so coming forward, that they now enjoy full status as though they had arrived here legally in the first place. They then applied for their wives, and the answer was immediately given: "We regret that she cannot enter this country because she took a false statutory declaration and is therefore barred under section 5(d) of the Immigration Act". In other words, the minor partner or accomplice in a scheme, which is, it is admitted, an illegal scheme, is the one who is punished after the principal actor has entered the country and been forgiven. Or is there just a delayed penalty behind the minister's letter when he says to them: "Your status is as though you had entered this country legally and you have the same rights as anyone else, with the exception that you cannot bring your wife to Canada for five years after she had taken the statutory declaration"?

I have written to the minister in regard to a number of cases of this kind and I would urge upon him an immediate revision or review of the application of the statutory bar. I realize the necessity for regulation; but in view of the fact that this amnesty has been given, why visit a further penalty upon these people? After all, I should think in 99 per cent of such cases the wife has been a docile accomplice. She has been asked to take this statutory declaration in order to fit the scheme. Yet we are visiting an additional penalty upon her while her husband, who is here, has been forgiven and goes scot free. I would urge on the minister that this matter be reviewed immediately.

The last matter I should like to speak about, Mr. Chairman, concerns Canadians who travel abroad in Europe and our Canadian personnel in our embassies in Europe. Do you know, Mr. Chairman, what they have to read for news of Canada? They get, provided the Telex is not overcrowded, a sort of synthesis of a C.B.C. news release, a daily edition but necessarily compressed to perhaps one page or a page and a half foolscap size. Then they get the first four pages of *Le Devoir*, which are cut out and air mailed. Then the Ottawa *Journal* makes a special print of the four principal pages—the front page, the editorial page and a couple of other pages—and sends them over. Then there is available a sort of business overseas edition of the *Globe and Mail*. For the people in external affairs there may be certain confidential bulletins, but they are confidential. But beyond that they must depend upon the European edition of the New York *Herald Tribune*, the New York *Times*, or the continental edition of the London *Daily Telegraph* for news about Canada. I found all our personnel right from the top down, starved for news of Canada. The armed services do a little better. There are two Yukon passenger flights plus four freight flights a week, and they are able to obtain daily copies—sometimes a little delayed by reason of flight schedules—of the *Globe and Mail*. These arrive at Marville, France. So they have at least one newspaper.

I went into one Canadian embassy in Europe and the latest daily newspaper, outside of those I have mentioned, was an April edition of the Montreal *Gazette*. Other than that our personnel have to rely upon their own subscriptions.

Mr. McIlraith: Mr. Chairman, I wonder if I could raise a point here and put it in the form of a question to the hon. member. Important as is the matter he is discussing—and I recognize its importance—I am wondering whether he is satisfied that it is the type

of problem which should be discussed on interim supply, which is a temporary measure asking for one month's supply for the government to carry on its business until the regular estimates come before the house. I am wondering whether it is not the type of subject, bearing in mind the practice on interim supply bills, which could not better be discussed on the estimates of the department when the minister is here.

Mr. Lambert: Mr. Chairman, this is all very well on the part of the President of the Privy Council, but I would like to say that in the time the minister has taken I could have completed the point I wanted to make.

Mr. Grégoire: Carried.

Mr. Lambert: The estimates of the Department of External Affairs will come up in anno domini—some time, perhaps in the fall. I am interested in getting some action now in response to the suggestion I am going to make.

Mr. Grégoire: Carried.

Mr. Lambert: I think that what the government should do is to provide for a reasonable number of daily papers from across Canada to be sent to our embassies via the regular service flights which go to Europe.

Mr. Grégoire: Carried.

Mr. Lambert: Certainly these people are quite as entitled as anybody else to have news about Canada. Europe is crawling with Canadians right now who are hungry for news about Canada but cannot get it.

I suggest we also provide a litter to carry out the hon. gentleman who is hollering to be carried out.

I trust that the ministers concerned will take to heart the suggestions I have made.

Mr. Herridge: Mr. Chairman, I rise to make a few remarks relating to a matter of great concern to a number of my constituents. I rise primarily on account of a telegram I have received from the president of the B.C. command of the Canadian Legion and the local branch to which I belong, as well as a result of resolutions passed by the zone council of the Royal Canadian Legion for Kootenay West. However, before doing so I want to say that while there has been considerable criticism as to the length of debate with respect to the historic "Mr. Pearson" film incident, I suggest this debate would have been considerably shortened had the Prime Minister made the speech he made yesterday some years ago.

Some hon. Members: Oh, oh.

Mr. Herridge: No, pardon me; it seems so long ago since it started. I should have said, had he made the speech some days ago, the debate would have been considerably shortened.

I return to the subject which I wish to speak on for a few minutes this evening. I do so because of the telegrams I have received and because I believe the federal government has a responsibility to the persons concerned, in view of statements made by the Secretary of State for External Affairs. During the discussions in the external affairs committee with respect to the Columbia river treaty, and later while the minister was speaking in the house he indicated that the government was quite assured that the persons who would be directly affected as a result of the flooding would be properly treated. In that respect I want to quote what the Secretary of State for External Affairs said in the house when dealing with this question. He said, as found on page 3903 of *Hansard*:

> The immense magnitude of the program is most apparent, as are the changes in the face of the land that are bound to take place.

That is no overstatement.

> It was known from the beginning that, regardless of what sequence of development was chosen, the changes would be of such magnitude that the face of the land in the Columbia basin would be altered, that immense areas would have to be flooded, that there would be dislocation and that new conditions of living would be imposed in that region. However, there had to be the assurance in the minds of the negotiators, both federal and provincial, that although these changes were necessary the benefits would be far greater and sufficiently great to justify the changes both in the land and in the lives of numbers of people. There had to be the assurance that no one would suffer loss, that there would be alternative programs of settlement and redevelopment on available lands, that there would be redevelopment of communities affected together with compensation to those who would suffer loss sufficient to provide them with a stake sufficient to re-establish themselves.

I re-emphasize those concluding words of the minister when speaking in the debate at the time the house ratified the treaty. Then I go to the minutes of the external affairs committee and I wish to quote what the famous Dr. Keenleyside had to say as found on page 405:

> Here we have said from the beginning, and in this we have had the full support of the British Columbia government, that we propose to treat these people fairly, sympathetically and generously?

Quite recently the famous Dr. Keenleyside attended public meetings at Edgewood and Nakusp on the Arrow lakes at the request of the local residents. In the first instance he intended to attend only dinner meetings of chambers of commerce, nice, cosy meetings where you do not meet the people. But the people sent him letters demanding public meetings. I give great credit to the women of my constituency who organized these public meetings. Let me tell you, Mr. Chairman, that if you get the women in the constituency on your side you have already won. They organized a large public meeting and Dr. Keenleyside was subjected to a barrage of questions from the property owners in the district with respect to the clearing of the basin, with respect to the relocation of roads, the relocation of wharves, the relocation of schools and other community facilities, with respect to the compensation to be paid to the owners of properties to be flooded and with respect to the provisions for the restoration of fisheries which as a result of this flooding will be destroyed for a period of over 20 years.

As a result of the meeting the people were most dissatisfied. Dr. Keenleyside completely failed to answer the questions satisfactorily at this large public meeting in that district. As a result of one meeting one property owner wrote to the B.C. hydro and power authority with respect to the policy to be followed in connection with compensation and so on, and I am going to place the reply on the record:

> This is a copy of a letter received from R. W. Gross, manager, land division, B.C. hydro, in answer to the queries of a landowner in the district.
>
> "Dr. Keenleyside has asked me to acknowledge the receipt of and reply to your letter of 20th of April. I am afraid we cannot accept the principle that replacement value is to be paid for improvements affected by the Columbia developments. The basis on which compensation is paid in Canada for private property required for public purposes is clearly established on the value to the owners principle.
>
> Value to the owner is in almost all cases the same as market value. In addition to market value there would, in proper cases, be added an allowance to cover disturbance and moving expenses.
>
> You ask the question, "Why should anyone be forced to go into debt to replace what they now have"? It might help you to understand the situation if you appreciated that all privately owned property in Canada is held by its present owner subject to the right of any public body possessing power of expropriation to take it over for public purposes.

I want to bring those words to the attention of the great advocates of free enterprise.

> In these circumstances the public body is required to pay the owner what his property is worth, not what it may cost him to replace it.
>
> [Mr. Herridge.]
>
> The owner is entitled to be left in the same economic position in terms of cash or property after the taking as he was in before the taking. An owner is not entitled to profit from the taking, which would be the situation if replacement value rather than market value were paid."

I bring this to the attention of the house because it is a complete contradiction of the statements made by the Secretary of State for External Affairs and Mr. Keenleyside to the committee and also in numerous addresses throughout the country, that these people would be treated in a humane and generous manner. This has caused a great deal of concern to the 2,000 odd people who are going to be affected by this development.

As a result this question was considered by a recent zone council convention of the Royal Canadian Legion representing all branches in Kootenay West. I see the hon. member for Kamloops looking at me and I hope he will begin to stand up for these people and their rights. This matter has caused a great deal of concern, because to get the market value means in many cases, in view of the flooding that is to occur, to get a fraction of what will be required to relocate these people on farms similar to those they now occupy. I received a telegram from the zone council of the Royal Canadian Legion, representing all branches in Kootenay West, which telegram reads as follows:

> Sir: The following resolution was duly adopted at the west Kootenay zone convention of the Royal Canadian Legion on June 21st, 1964.
>
> "Whereas the veterans residing in the flood basins of the Columbia river, who are to be affected by the treaty, will be at a disadvantage negotiating with trained officials of the B.C. hydro authority and whereas experience has shown great variance in allowance for similar properties received from hydro authorities for similar areas for no apparent reason, and whereas these affected veterans are in fact negotiating for the interests of Veterans Land Act, National Housing Act, soldier settlement board and others as well as those of their own;
>
> Therefore be it resolved that the honourable minister of the Department of Veterans Affairs be asked to provide immediate professional assistance to veterans affected by the hydro developments of the Columbia river treaty projects."

In addition, Mr. Chairman, I received a telegram from the branch of which I happen to be a member and which I had the honour to organize in 1919. It contains a resolution passed at the zone convention on June 21, 1964.

> With regard to displacement to persons living in the area to be flooded by the Columbia development projects whereas it has been stated, in verbal and written form by Dr. H. L. Keenleyside, that market value will be the criterion used in the purchase of property of affected persons and whereas the use of market value can mean a very great hardship on people who cannot afford to pay

the difference between market value and actual cost of replacement and whereas many veterans will be affected, and suffer hardship by the system of market value settlement; Therefore be it resolved that the Royal Canadian Legion support the principle as follows, when a person or persons are faced with the necessity of having to move, where a cash settlement is not suitable, that the hydro authority resettle such persons in accommodation not less favourable to them, at no cost to persons so resettled.

This telegram is signed, F. E. Sadd, secretary of the branch.

Now, Mr. Chairman, this matter is of serious concern to some of these veterans, owing to the circumstances of the district where up to the present time there are few paved highways, where most of the areas are served by country, gravel roads. Many of these people are isolated. The assessed values are somewhat low because they have not had the expensive government services. However, I know of one case where one of these ranchers ships $40,000 worth of cattle per year to the market. Just imagine what will happen to that man if he receives, say, twice the assessed value of the property plus 10 per cent for inconvenience. In that case, I know from personal experience, it would cost in the neighbourhood of $100,000 to buy a similar property.

I know several ranchers in the district, veterans particularly, where in some circumstances these persons have spent their life in this work, and in some cases their fathers have spent their lives, and they are entitled to most generous treatment when they are being displaced by a work for the benefit of the people of Canada. I object most strongly on their behalf to the suggestion made by Dr. Keenleyside of the B.C. hydro, as expressed in the letter that I have quoted. The people who attended this public meeting at Edgewood and Nakusp were very dissatisfied with the answers given by the co-chairman of B.C. hydro to the numerous questions they raised.

I have been asked to raise this question at the first opportunity. This is the reason I bring it to your attention tonight, Mr. Chairman, and to the attention of the house. I appeal to the Minister of Veterans Affairs to appoint some official to go to these veterans who live along this 150 miles of beautiful waterway, the Switzerland of North America, where there are 50 miles of beaches to be destroyed to provide a water tank for the United States, to give assistance and advice on their legal rights. I know the parliamentary secretary is a very humane sort of person. I trust he brings this situation to the attention of the minister and that the department does appoint someone to represent all these veterans, whether they hold property as a result of purchasing it from the Veterans Land Act administration, from any other agency of government, or whether they purchased their property outright.

In concluding, I say this, that men who have fought for Canada are entitled to be protected by the federal government in circumstances like these and not subjected to, shall I say, the legal, cold blooded treatment it appears they are going to receive from the B.C. power and hydro authority.

Mr. Smallwood: Mr. Chairman, I did not plan on speaking tonight until I had to listen to a couple of speeches from the leaders of the minor parties accusing us of holding up legislation in this house. I shall come back to them later.

First, I should like to call the attention of this government, as I have attempted to do on several occasions, to what I refer to as the master agency plan. I believe this plan brings hardship and injustice to western Canada. I raised this problem with the former minister of transport, but did not get any reply from him. I went to the board of transport commissioners with regard to the closing of these stations. I could not get satisfaction from the board of transport commissioners. Many communities in western Canada have lost the services of the station agent, and this is bringing difficulty to the people. If I may give an example, about two weeks ago I sent a telegram from the city of Saskatoon to my home. I went 300 miles on the train and beat the telegram to Irma. In another instance, some people in Irma had friends coming to visit them. Those friends sent a telegram and they also beat the telegram to Irma. This is an example of what is happening. We can get no support whatever from the board of transport commissioners. They are just political appointees and are not serving the public. I think we might as well dispose of the board of transport commissioners, because the railways go ahead and do what they want anyway.

Now, the matter of this government and its policies was well covered by the hon. member for Edmonton West. I want to remind you, Mr. Chairman, however, that we have had a government of indecision for over a year now, a government that has been riding on the crest of the wave of prosperity, which resulted from legislation passed by the previous government. We have had too much irresponsibility and retracking. Now, at the end of it all, we have this flag

resolution placed upon the order paper while more important legislation such as loans for students and help for the Quebec farmers is being delayed.

Mr. Grégoire: It has been said many times.

Mr. Smallwood: Mr. Chairman, you have a little mouse in the corner. Could you put him in a cage for me?

I know, Mr. Chairman, that these Quebec farmers need help because I have been in their communities. I have found distressing conditions there, and I know these people need help. We had a minister of agriculture prepared to introduce legislation to help these farmers. Twenty years ago these small farmers could go out in the wintertime and cut pulpwood to help their finances, but today that source of revenue is gone.

What has this government done to help these people? They have set up the B. and B. commission which has been travelling across Canada spending millions of dollars. The government is spending millions of dollars to build an island at Montreal for the world fair and at the same time neglecting the small farmers of Quebec. I think legislation to help these people should be introduced before we spend all our time on the flag resolution.

Some hon. Members: Carried.

Mr. Smallwood: Now, Mr. Chairman, this afternoon at about ten minutes to five we heard the hon. member for Red Deer say, in a sanctimonious way, let us get on with the business of the country. He looked up at the press gallery and I suppose he hoped tomorrow he would see headlines, "Member for Red Deer wants to get on with legislation". I think the people of this country have caught up with him. Last fall he made a television broadcast. I can just see him on television, with his eyelids painted black to give him a sanctimonious look. He even fooled Dick Jackson of the Ottawa *Journal*. This is what Mr. Jackson wrote:

> Say what you will about Social Credit and the quality of the sincerity of leader Robert Thompson, the man surely has a way with words.
>
> Speaking of "Canadian disunity and the lack of national purpose," he saw strong leadership as the only way out, and to provide it, called for...
>
> "...men with clean minds, great hearts, true and ready hands.
>
> ...men whom the lust of office does not twist... men whom the spoils of power cannot buy...men who possess opinions and the will and wit to express them...men who have honour and will not lie...tall men, sun-crowned, who live above the fog in public duty and in private thinking..."

[Mr. Smallwood.]

An hon. Member: Amen.

Mr. Smallwood: My friend says amen. I agree. During that television show I was waiting for the hon. member to pass the collection plate.

I went back to my office and I picked up *Liberty* magazine, a magazine of religious freedom, printed in Washington, D.C., and at the back of it were these words:

> A time like this demands strong minds, great hearts, true faith and ready hands; men whom the lust of office does not kill; men whom the spoils of office cannot buy; men who possess opinions and a will; men who have honour; men who will not lie; men who can stand before a demagogue and damn his treacherous flatteries without winking; tall men, sun-crowned, who live above the fog in public duty and private thinking.
>
> These are the words of A. G. Holland, a United States author who died in 1881.

Here we have this man standing up and saying let us get on with the country's business but he will not give a man who died in 1881 the credit of his words.

We have heard of summit conferences. It has been said let us hold summit conferences. But we have had a summit conference at Rouyn, Quebec.

Mr. Caouette: Where is that?

Mr. Smallwood: This is a quotation from the Toronto *Telegram*.

Mr. Caouette: But where is it?

Mr. Smallwood: Would you pronounce that, my dear friend?

Mr. Pigeon: Rouyn.

Mr. Smallwood: This is from the Toronto *Telegram* dated June 22, 1962.

Mr. Caouette: Yes, but where from?

Mr. Smallwood: Rouyn.

Mr. Caouette: How do you spell it?

Mr. Smallwood: It reads:

> At a little summit meeting at a summer camp here yesterday the big two of Social Credit swore personal friendship and declared fealty to the party.

Both the hon. member for Red Deer and I can well remember the time back in 1935 when the Social Credit leader, the late William Aberhart, came out and said, "You vote for me and I will give you $25 a month." My hon. friend from Villeneuve did not want to be beaten by that, and so he went through Quebec during the election campaign and said, "I will give you $100." I would remind my hon. friend from Red Deer that over the years since 1935, on the basis of that promise, the provincial Social Credit government owes

me $8,850 without interest. If the hon. member for Red Deer would see to it that I got paid that amount, I would jump up on my desk and holler hallelujah.

At that summit meeting the big two of Social Credit discussed wheat sales to China, and said the party would not approve of any new contract to sell grain to China. That is very interesting. I have another quotation from the Brandon daily *Sun* "Selling Grain To Reds Wrong—Socred Leader." Then there was another "No Sales to Reds Social Credit Warns." He was not satisfied with that and he went over to New Zealand, and according to the Ottawa *Citizen* of September 15, 1963, after the Russian wheat deal went through he said:

Canada has fallen into a communist trap with the sale of 228,000,000 bushels of wheat to the Soviet union.

I can tell the hon. member that the farmers of western Canada are happy to sell their wheat. The people of Canada are proud to sell their grain to those hungry people, regardless of what he thinks.

This is a man who talks about getting on with the business of the country. I will give another quotation, this one from the Ottawa *Journal* of June 23, 1962 "Socred's Thompson Raps Pearson's 'Dirty Politics' ". Oh, how he changes.

Robert N. Thompson, national Socred party leader said Friday that Liberal leader Lester Pearson is playing "dirty politics" in trying to force an early federal election.

Mr. Thompson said at a press conference, that "if there were an election now, Social Credit would win 80 seats, but we are responsible people—"

Look at them today. They are all split up.

The Chairman: Order. I have been listening to the hon. member with a great deal of interest but I have serious doubts as to whether his contribution to this debate is relevant. So far as I can judge he is referring to certain statements made by the leader of the Social Credit party, and I cannot see how this can be related to the resolution dealing with interim supply before the committee.

Mr. Caouette: He does not know what he is talking about.

Mr. Smallwood: I am just replying to remarks made before the supper adjournment. The hon. member got up and suggested the house get on with the country's business, laying the blame on the official opposition for not doing so. I am trying to put the shoe on another foot for a change. This is an open debate to some extent and I believe I must bring this matter up. I have another quotation from the Edmonton *Journal* of November 9, 1963 which reads:

National Social Credit Leader Robert Thompson said Friday a number of Liberal members of parliament have signed a petition asking the government to institute Social Credit monetary reform.

Some hon. Members: Order.

Mr. Smallwood: This afternoon we heard the hon. member for Villeneuve speak about the former prime minister, the right hon. Leader of the Opposition, with complete irresponsibility, and I am trying to place the record straight. When the hon. member for Joliette-L'Assomption-Montcalm accused him of being a Hitler or a Mussolini he got up on a point of order and complained about it, and I think I am perfectly right in placing these things on the record to back up my hon. friend from Joliette-L'Assomption-Montcalm.

Mr. Caouette: He never knows what he is saying.

Mr. Pigeon: Heil Hitler.

The Chairman: Order. I do not think that because one hon. member used an epithet in the course of debate regarding another hon. member, this should lead a third hon. member to join in the fray. I would point out that we are considering interim supply and I feel the hon. member would be out of order if he continues in this vein.

Mr. Smallwood: Mr. Chairman, I shall be very brief in coming to the assistance of the hon. member for Joliette-L'Assomption-Montcalm and explaining to you why he made that remark, and let it go at that. I have many quotations here that I could read, but one will close the matter.

The Chairman: Order. I must say I definitely feel the hon. member is not being relevant to the resolution before the committee if he pursues this trend of thought.

Mr. Smallwood: Well, in those circumstances I will yield to your ruling since I wish to be co-operative. I would just say that here are clippings from the press which prove me right, because they say "Hitler, Duce, Political Heroes". I could read and read—

[*Translation*]

Mr. Caouette: On a point of order, Mr. Chairman.

[*Text*]

The Chairman: On the question of privilege raised by the hon. member for Villeneuve I must say I did not hear a statement made by the hon. member who was just speaking which imputed motives. If there was such a statement made, perhaps the hon. member would like to repeat it.

Some hon. Members: Oh.

Mr. Smallwood: I was just reading from the Toronto *Globe and Mail* of August 23, 1962. The headline reads: "Hitler, Duce, Political Heroes, Caouette Says". It goes on to say that in an interview published in *Maclean's* magazine, asked who his political heroes were, the hon. member replied: "Hitler and Mussolini".

The Chairman: The hon. member is certainly out of order but I do not think he has imputed motives. He is just out of order.

[*Translation*]

Mr. Caouette: I object strenuously to the remarks uttered by the hon. member who now has the floor. I realize that he is being prompted by the hon. member for Joliette-L'Assomption-Montcalm, who has proved in the past that he is not more intelligent than required. But the hon. member is not entitled to impute any motive to any member here in this house.

Mr. Chairman, I would ask that you require the hon. member to withdraw the words he has just uttered.

[*Text*]

Mr. Pigeon: "Heil Hitler," Mr. Chairman.

[*Translation*]

Mr. Caouette: Mr. Chairman, the hon. member may not be imputing motives, but he mentioned or read from an article published in a Canadian magazine. At that time, as was stated tonight, I would have said about Hitler and Mussolini that long before the war, they gave their countries an economic impetus that enabled them to develop.

I stated in the same article what the hon. member does not want to read or refrains from reading now, namely that when they declared war, we were not happy at all, we did not agree with them at all.

The hon. member should be honest in his statements and then we will let him continue his remarks as he was doing a little earlier, but he should stop making charges. The same thing holds true for the hon. member for Joliette-L'Assomption-Montcalm who has been trying, since this afternoon, to impute motives and make charges right and left—I will not say through his hat, because he is not wearing one; I should say through his brains, but he is also deprived of that.

[*Text*]

The Chairman: I am sure the hon. member for Battle River-Camrose accepts the statement made by the hon. member for Villeneuve and we can let it go at that.

Mr. Smallwood: Thank you. I will do that. But I have great faith in the editorial writers and the newspapermen of this country and I was just putting a few of their opinions on record. However, I do not wish to take up more of the time of the committee. I just hope the people of Canada will realize that the time has now come to get back to the old two-party system.

Mr. McIlraith: Earlier this evening, the hon. member for Winnipeg North Centre raised the question of the appointment of ministerial staff. He raised two aspects of this matter. First, he reminded us that on June 11, the day before we first presented this resolution for the consideration of the house, I had undertaken in answer to some questions asked by his leader and by others to discuss this subject on interim supply. The other point he raised concerned the legality of certain aspects of appointments by order in council.

Perhaps I might dispose of the legal question first. The hon. member quoted section 71 of the Civil Service Act and sought to argue on this basis that the appointment or employment of any staff of a minister outside Ottawa was illegal. I would simply point out to the hon. member that he has misinterpreted the section he has read. If he would read the whole of the section he would realize, surely, that the word "office" as used in the section refers to the office of the minister, or the minister's establishment as separate from the administrative branch of the department. The Civil Service Act deals, of course, with both types of appointment or employment. That is the distinction which has to be drawn.

The word "office" as, I think, will be apparent to anyone, is used in two or three different contexts. It may mean the physical location of a room or set of rooms in which a person works. The other meaning has to do with a position to which certain duties are attached; a place of trust, authority or service, especially of a public kind. I would think that this latter definition of the meaning of the

word "office" as taken from the Concise Oxford Dictionary is the obvious meaning of the word as used in the section.

Without developing this argument further I would, therefore, point out to the hon. member that his deduction as to the legality of the appointment is not the correct one. I might say that when he raised this point some days ago I immediately looked at the section myself—

[*Translation*]

Mr. Grégoire: Mr. Chairman, I rise on a point of order. I wonder whether the President of the Privy Council (Mr. McIlraith) is giving at present a legal advice on a section of the act or the statutes of Canada. If this is what he is doing, I suggest that the President of the Privy Council will also have to tell us who has given him this legal advice and, if so, whether this legal advice comes from the Department of Justice in Ottawa.

[*Text*]

Mr. McIlraith: The hon. member for Lapointe is correct. I was making a legal argument concerning the interpretation of a section of the Civil Service Act. I have made the argument, and if the hon. member had contained himself for one minute longer, I would have answered the question he posed.

Having looked at the section myself, and having come to that conclusion, and having reinforced my view of it by turning to the Oxford dictionary as to the meaning of the word "office", I then asked my colleague, the Minister of Justice, for an opinion on the matter and he, as is his responsibility, or duty, did give me an opinion; and it was along the lines I have indicated.

Perhaps before I give the information I have undertaken to give to the committee, I should clear up one point concerning one of the persons whose name was mentioned several times in the house during the question period. I refer to Mr. Côté. I did not know this at the time, or I should have immediately brought it to the attention of the house, but on the day these questions were asked, Mr. Côté was present in the gallery along with other ministers' staff in the official place assigned to them. He performs the greater part of his duties in Ottawa, not at Baie des Sables. It is true that he does go to the constituency at various times, but not for the major part of the time during which he is employed. I merely make this clear out of fairness to the individual involved; he still does, on occasions, perform services outside Ottawa. I merely wanted to clear up that case.

Mr. Douglas: Mr. Chairman, could I ask the minister a question?

Mr. McIlraith: Yes.

Mr. Douglas: If that is correct, why does the order in council state that Mr. Côté is located at Baie des Sables? Is it the intention of the minister to have the order in council changed?

Mr. McIlraith: Yes, Mr. Chairman. That is a very good question. When the man was appointed, his home address was Baie des Sables. That is where he came from, and they put that as his address in the order in council. In going through orders in council that go back for some years, I found, if you like to call it that, some inconsistencies in their wording. However, I make nothing of that point, other than to clarify the position of the particular man.

[*Translation*]

Mr. Caouette: Mr. Chairman, would the minister allow me to ask him a question?

[*Text*]

Mr. McIlraith: I would very much prefer, Mr. Chairman, if the hon. member would allow me to put on the record the statement I promised the house several days ago. Then I would be glad to answer all the questions on the subject as fully as I can.

Mr. Caouette: But, Mr. Speaker, I wanted to know—

The Chairman: Order, please. The hon. minister has the floor, and if he does not want to reply to a question at this time, he should be allowed to complete his statement.

Mr. McIlraith: Mr. Chairman, this is the fifth day on which this interim supply resolution has been before the committee, and I have been ready and available to answer questions.

Mr. Churchill: It is the fourth day.

Mr. McIlraith: Well, I have been in the chamber during the whole of the time this interim supply resolution has been before the committee, and I am quite ready to answer all the questions I can. I did promise the house that I would answer some of the questions that were asked a few days ago on this whole subject, and I would like to do that now.

The stationing outside Ottawa of members of the staffs of ministers of the crown is

consistent with past practice and has considerations of economy and efficiency to support it. From the records, it is clear that ministers have maintained members of their staffs at places outside Ottawa since 1935—and I do not know how far back the practice does go, but that was as far back as I was able to get the records—and possibly for many years before that. Ministers have traditionally maintained offices in federal public buildings in cities like Montreal, Quebec city, Toronto, Vancouver and Winnipeg.

Mr. Grégoire: And Matane.

Mr. McIlraith: In 1956-57, six members of ministers' staffs were employed in Vancouver, Windsor, Montreal and Lunenburg. Under the Conservative administration the number of members of ministers staffs working outside Ottawa was doubled. During the period 1958 to 1963, 12 persons were employed in Regina; Hamilton; Fredericton; St. Gilles, Quebec; Montreal; Middleton, Nova Scotia; Brandon and Mont Laurier.

Mr. Grégoire: And Matane.

Mr. McIlraith: At present there are 15 persons employed full time and one person part time at ministers' offices at Quebec city, Bathurst, Montreal, Toronto, Sorel, Niagara Falls, St. Boniface and Vancouver.

It is interesting to note that the Glassco commission has recently pointed out that only 24 per cent of the full time federal public service work in the Ottawa-Hull area. Three quarters of the public servants are dispersed throughout the rest of Canada, largely in 14 urban centres from St. John's to Victoria. As the Glassco commission observed, "How these scattered activities are organized and staffed, how their performance is appraised and their effectiveness ensured are matters of importance to the economy and efficiency of the federal administration and to quality of service received by the public". The commission asserted that "more systematic and energetic measures are needed to encourage the freer movement of public servants between headquarters and field establishments".

Since the Civil Service Act, 1961, the staffs of ministers of the crown are appointed in accordance with section 71(1) of the Civil Service Act. That section reads:

> A minister may appoint his executive assistant and his private secretary, and other persons to be employed in the office of a minister shall be appointed by the governor in council.

[Mr. McIlraith.]

The function of certain staff members who are provided for ministers of the crown, and for the leader of the opposition, is to relieve these ministers and the opposition leader from certain routine tasks and thus enable them to discharge more effectively their ministerial and public responsibilities. The posting of a member of the minister's staff to a centre outside Ottawa, whether in the minister's constituency or in some other area, has been found to improve the efficiency of service to the public and to reduce claims for travelling expenses. Under the present administration, no members of ministers' staffs stationed outside Ottawa are drawing an expense account.

To ensure that members of ministers' staffs fulfil their responsibilities of assisting the ministers and do not merely undertake routine political tasks on behalf of party or local organizations, the present government has already instituted the practice of requiring that proposed appointments be reviewed by treasury board before going forward to the governor in council for approval. In its review, treasury board ensures that the total size of a minister's staff, wherever located, remains within reasonable limits bearing in mind the size of the departmental organization.

It is not as simple a question as it may seem whether there should be a rule that all members of the staff of ministers should be obliged to live in Ottawa. This has not been the rule in the past. It may well be that ministers could be relieved of much of their obligation to deal with the manifold problems of their constituents by a secretary or a stenographer living in their constituency at a good deal smaller expense than would be the case if that employee were obliged to live in Ottawa.

I must add, Mr. Chairman, that the Prime Minister has instructed treasury board to examine into the whole question of ministerial assistants working outside Ottawa. He has asked treasury board to report on how this practice, as it has developed over the years, can be brought under strict control so that abuses, if any, can be prevented, and whether there are any advantages to the public service under the practice which should be retained under the control referred to.

Mr. Douglas: Mr. Chairman, before the minister sits down could I ask him if he could have some information ready for us in the morning regarding the 15 full time persons and one part time person presently employed

by ministers outside Ottawa. Perhaps he could tell us the locations and in how many cases these persons are actually located in the constituency of the minister.

Mr. McIlraith: Yes, Mr. Chairman, I would be very glad to give that information. I would point out that there are very, very few of them in the constituencies of the ministers; they are mainly in the major cities. But I will have that detailed information as soon as I can get it. I should point out, also, that there is a possibility of slight inaccuracies in some of the earlier information because I have had to reconstruct it as best I could from old orders in council, departmental records and things of that sort.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, may I ask the house leader about the order of business for tomorrow, and perhaps for Monday.

Mr. Favreau: Tomorrow morning, Mr. Speaker, the government will call as its first item of business the motion concerning the extension of the hours of sitting. It will be a slightly modified version, on which I understand there will be agreement. Then we hope to complete the debate on interim supply, after which we will proceed with the debate on the flag resolution.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

FINANCE—SUGGESTED ELIMINATION OF SALES TAX ON BUILDING MATERIAL

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, during the question period I asked the leader of the Quebec Liberals, the Minister of Justice (Mr. Favreau) a question.

As the province of Quebec has about 38 per cent of all Canada unemployed, I asked him whether he would use his influence to obtain from the government that the 11 per cent sales tax on building materials be abolished, not only to help the economic recovery of the province of Quebec and favour the building industry, but to improve the Canadian economy in a general way.

Mr. Speaker, all hon. members are aware of the many protests the government received from municipalities, school boards, industries, labour unions, in short from all provincial governments about that 11 per cent tax, which jeopardizes Canadian economy to a great extent.

Mr. Speaker, we have to face not only winter unemployment but summer unemployment as well, and I may say that, so far as the province of Quebec is concerned, building activities have decreased by at least 60 per cent, in comparison to former years, and just because of that 11 per cent tax.

Mr. Speaker, we trust—and I trust—that the Minister of Justice will make his colleagues in the cabinet understand the importance of eliminating that tax as soon as possible, as it is most prejudicial to the Canadian economy. I therefore ask the minister to be firm. It is alright to belong to a political party and to be a member of the cabinet. But if the Minister of Justice would urge his party, and more particularly the members of the cabinet to eliminate that 11 per cent sales tax, I can tell him that he would be greatly admired by the Canadian population, and more particularly by the people of Quebec.

People in Canada are disappointed by this government's actions. The first 60 days of Liberal rule were to be miraculous; there was to be a remedy for all evil. But those first 60 days were rather prejudicial to the Canadian economy, because that 11 per cent tax brought about a slow-down in its development.

The housing contractors are roused and alarmed. Building is decreasing; the number of bankruptcies is constantly on the increase, more particularly in the building field, because the profit margin is very slim at this time, more particularly since the government imposed that famous 11 per cent tax, which runs counter to every economic principle. Indeed, I defy the Minister of Justice to name one organization in Canada supporting the 11 per cent tax.

Some hon. Members: Oh, oh.

Mr. Pigeon: Mr. Speaker, I hear protests from government members, but if they are really aware of their responsibility, if they want to give priority to the interests of the country over that of their party, they should have been the first ones to protest when the

present government levied that 11 per cent tax which proved to be disastrous to the Canadian economy.

The province of Quebec has the monopoly of unemployment. What is the co-operation between the Quebec Liberal government and the Liberal government in Ottawa? In view of the serious worsening of the unemployment situation in the province of Quebec, I pray the Minister of Justice, on behalf of the people of Quebec who suffer from unemployment, will use his influence, if he has any, in order that this 11 per cent tax be abolished so that the economy be boosted not only in the province of Quebec but throughout Canada.

[*Text*]

Mr. E. J. Benson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I recognize and respect the hon. member's concern for unemployment. This government has been greatly concerned about the employment situation in Canada, and contrary to what was done by the previous government has indeed done a great deal about it. If he will reflect over the past year, there has been the extension of the winter works program, the extension of vocational training assistance, the $500 housing bonus paid for winter building, the program with regard to designated areas, including the three year tax holiday, the two year write-off on machinery, the five year write-off on buildings, along with double depreciation that has been granted on new equipment across the whole of Canada. I think the people agree that this government has done a good deal with respect to unemployment. Indeed, the success of our program is shown by the fact that unemployment in Canada is now lower than it has ever been since the last time that a Liberal government was in power.

The hon. member's attempt to relate unemployment to the sales tax extension is, I maintain, entirely unwarranted. There has been a great expansion of building in Quebec and in the whole of Canada. I challenge him to support the figure he just quoted of a 60 per cent reduction in construction in Quebec. I should like to refer the hon. member to my speech of February 25, 1964 in this respect and also to the *Financial Post* of February 22, 1964.

I should also like to refer him to the publication, National Accounts, Income and Expenditure, for the first quarter of 1964, published by the dominion bureau of statistics. I quote from page 3 thereof:

[Mr. Pigeon.]

—the value of residential construction put in place in the first quarter was about 25 per cent higher than in the preceding period.

I quote further from page 7:

Spending on fixed capital, including housing, provided the major impetus to production in the first quarter and the rise of 11 per cent carried total capital expenditures to an annual rate of $8.8 billion after discounting seasonal factors.

If the hon. member will recall, I stated in my speech on February 25, 1964 that such expenditures would amount to $8 billion this year and I am pleased that that figure is going to be surpassed and will reach $8.8 billion, almost the biggest construction year in Canada's history. I quote further from the same page of the report:

The demand for business fixed capital absorbed 19 per cent of gross national product compared with 17 per cent in the first quarter of 1963. The annual rate of housing completions rose to an unsurpassed level of 215.8 thousand in the first quarter as the final qualifying date for the government's winter housebuilding incentive bonus was approached.

Mr. Deputy Speaker: Order. I must advise the hon. member that his time has expired.

TRANSPORT—GASPE—REQUEST FOR RECONSIDERATION OF RAILWAY CONSTRUCTION

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, during the question period, I also asked the Prime Minister (Mr. Pearson) whether the government intended to reconsider its decision, so that the railway between Ste Anne des Monts and Matane would be built.

Allow me, Mr. Speaker, to read a letter I received from the chamber of commerce of Gaspé-Nord Inc., on June 22, 1964:

Mr. Louis-Joseph Pigeon,
House of Commons,
Ottawa.

Dear Sir,

Please find herewith copy of a clarifying statement and a resolution of the chamber of commerce of Gaspé-Nord Inc. concerning the proposed building of a railway between Matane and Ste Anne des Monts.

The board of directors of the chamber of commerce has asked me to offer you their most sincere thanks for your support of that project. Those who want to see the development of our beautiful Gaspé peninsula have noted your firm and constant support for our project and they greatly appreciate it.

We hope that you will have a further opportunity to support that project which we believe to be essential to the development of our area.

Yours truly,

Gaspé-Nord Chamber of Commerce Inc.
Mr. Gaston Mainville, secretary.

Mr. Réal Caouette (Villeneuve): To whom was the letter addressed?

Mr. Pigeon: Mr. Speaker, the president of the chamber of commerce of Gaspé-Nord, Inc. sent me an excerpt of the minutes of the meeting of the board of directors held at Ste Anne des Monts, on Wednesday June 17, 1964.

The chamber of commerce of Gaspé-Nord Inc. wishes to rectify a statement recently published in various newspapers, including *Le Soleil*, to the effect that the chamber of commerce of Gaspé-Nord, Inc. had definitely abandoned the idea of a railroad being built between Matane and Ste Anne des Monts.

Mr. Caouette: To whom?

Mr. Pigeon:

The board of directors of the chamber of commerce of Gaspé-Nord never took that stand and there has never been any question of abandoning that project. On the contrary, the chamber of commerce continues to support the idea and is convinced that such a railroad is necessary for the development of that area. The chamber of commerce is in favour of the construction of roads and seaports, but it does not give up the idea of a railroad because roads and seaports are necessary with or without a railroad.

Mr. Caouette: To whom is it addressed?

Mr. Pigeon:

It is further moved by Claude Jourdain, supported by Maurice Lefrançois and unanimously carried that the chamber of commerce of Gaspé-Nord Inc. ask the federal government to extend by at least one year the expiration date of the bill which, at present, is set for December 31, 1964.

Mr. Caouette: To whom?

Mr. Pigeon:

That copy of this statement and resolution be sent to the Minister of Transport, the right hon. Prime Minister of Canada, Hon. René Tremblay, Right Hon. John Diefenbaker, Mr. Alexandre Cyr, M.P. for Gaspé, the newspaper *Le Soleil*—

Mr. Caouette: Mr. Speaker—

Mr. Pigeon:

—to the newspaper *Le Soleil*, to the newspaper *Le Voyageur* and to the chamber of commerce of the Gaspé peninsula.

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

Mr. Deputy Speaker: Order. The hon. member for Villeneuve rises on a point of order.

Mr. Caouette: Mr. Speaker, when somebody has the floor, the hon. member for Joliette-L'Assomption-Montcalm always rises to interrupt him or prevent him from speaking. Now, we have been asking him for at least five minutes to whom this letter was addressed and he does not answer. According to the way he acts, it seems we are not entitled to know.

So I ask permission to put a question to the hon. member for Joliette-L'Assomption-Montcalm. May I be granted this privilege?

Mr. Pigeon: Mr. Speaker, I ask you to be kind enough to make allowance for the time taken by the hon. member for Villeneuve in order to put his question and for the time that will be needed for the answer I shall give him. In that case, I am prepared to give the hon. member an answer.

Mr. Deputy Speaker: Order. I take the liberty of drawing the attention of the hon. member on the fact that if he replies to a question asked, the time he takes for that purpose will naturally be charged to him.

Mr. Pigeon: Well, I shall not answer that question, but I hope an allowance will be made for the time taken by the hon. member for Villeneuve.

In concluding, Mr. Speaker, I ask you to please maintain some order in this house. After all, we are not at a Social Credit convention, but in the House of Commons.

Mr. Caouette: Mr. Speaker, I rise on a question of privilege. The hon. member for Joliette-L'Assomption-Montcalm says he is not at a Social Credit convention; I should like to point out to him that a Social Credit convention is much more to the point than the behaviour of the hon. member for Joliette in this house. The hon. member for Joliette-L'Assomption-Montcalm is doing all he can to—

Mr. Pigeon: There is no question of privilege.

Mr. Caouette: —he is doing all he can—

Mr. Deputy Speaker: Order. If the hon. member for Villeneuve has a question of privilege, he should state his question of privilege.

Mr. Caouette: Certainly.

Mr. Pigeon: Personal?

Mr. Choquette: And confidential.

Mr. Pigeon: Not confidential.

Mr. Caouette: The hon. member for Joliette-L'Assomption-Montcalm is making charges at random—

Mr. Pigeon: There is no question of privilege.

Mr. Caouette: —as usual. We are not concerned here with the Social Credit convention

but with logical and comprehensible remarks—

Mr. Pigeon: The chamber of commerce said that not I.

Mr. Caouette: —something which the hon. member for Joliette-L'Assomption-Montcalm is unable to do.

Mr. Pigeon: It is the chamber of commerce not I.

Mr. Caouette: To whom was this letter addressed?

Mr. Pigeon: You may read *Hansard* tomorrow morning, when you are less excited.

Mr. Speaker, this concludes the excerpt from the minutes of the meeting of the board of directors of Gaspé-Nord Inc., held at Ste Anne des Monts on Wednesday, June 17, 1964:

That copy of this clarifying statement and of this resolution—

Some hon. Members: Go on.

Mr. Pigeon: Mr. Speaker, I ask for your co-operation.

Mr. Deputy Speaker: I can assure the hon. member that he has the co-operation of the Chair. He only has to proceed with his remarks, I can hear him very well.

Mr. Pigeon: I do not agree with you on this point, Mr. Speaker. Members on that side of the house make comments all the time. I ask you to please apply the rules on both sides of the house. The hon. member for Lotbinière (Mr. Choquette) and the hon. member for Shawinigan are always making remarks.

Mr. Chrétien: On a point of order, I represent the riding of St. Maurice-Laflèche.

Mr. Deputy Speaker: I can assure the hon. member that the rules are applied equitably and fairly on both sides of the house and I ask him to proceed with his remarks.

Mr. Caouette: Mr. Speaker, on a question of privilege or a point of order. The hon. member for Joliette-L'Assomption-Montcalm is simply unbearable. As soon as he hears someone say a word, he complains that he is interrupted.

Mr. Pigeon: There is no question of privilege or point of order.

Mr. Caouette: There is no other hon. member of the house so provoking and uncompromising—

Mr. Pigeon: No, Mr. Speaker.

[Mr. Caouette.]

Mr. Caouette: —as the hon. member for Joliette-L'Assomption-Montcalm.

Mr. Deputy Speaker: Order.

Mr. Caouette: And he is always the first to complain—

Mr. Deputy Speaker: May I have the co-operation of all hon. members, from both sides of the house, so that the hon. member for Joliette-L'Assomption-Montcalm may finish his question?

Mr. Caouette: He should speak intelligently.

Mr. Pigeon: Mr. Speaker, I ask again for your co-operation. I conclude my quotation:

That copy of this statement and this resolution be sent to the Minister of Transport, the right hon. Prime Minister of Canada, Hon. René Tremblay, Right Hon. John Diefenbaker, Mr. Alexandre Cyr, member for Gaspé, and to *Le Soleil* and *Le Voyageur*, and la chambre de commerce régionale de la Gaspésie.

Gaston Mainville, secretary.

Mr. Speaker, I quote from *Hansard* of the House of Commons for March 12, 1962, page 1703. This is what Mr. Chevrier said just before the bill was passed:

Once again, Mr. Speaker, the official opposition is in favour of this project—

If you refer to pages 1707 and 1708 of *Hansard* for the same date, you will see that at the time all Liberal members voted in favour of the construction of a branch line between Matane and Ste Anne des Monts. Why, after taking office, did the Liberals cancel that project which had practically received unanimous approval in the house?

This is a violation of freedom—

Mr. Caouette: What was the year?

Mr. Pigeon: This is violating everything which was done by the previous government. A government has no right to cancel an almost unanimous decision of the House of Commons—including the Liberal members—and to deprive the Gaspe peninsula of its railways.

The Gaspé-Nord chamber of commerce may be assured, that on this side of the house, we will fight each and every day to obtain a reversal of the government's decision and the implementation of the bill which was accepted by the house, when we were in power, in the sole interest of the Gaspé peninsula.

Mr. Caouette: You are better on this side of the house than when you were sitting opposite.

Mr. J. C. Cantin (Parliamentary Secretary to Minister of Transport): On Thursday, April 23, 1964, at this same time, the same hon. member asked the same question, made the same statement and used the same arguments. Consequently, Mr. Speaker, the minister's reply is the same.

[*Text*]

Motion agreed to and the house adjourned at 10.20 p.m.

20220—302

HOUSE OF COMMONS

Friday, June 26, 1964

The house met at 11 a.m.

NATIONAL DEFENCE

STATEMENT ON MEETING OF JOINT U.S.-CANADIAN MINISTERIAL COMMITTEE

Hon. Paul Martin (Secretary of State for External Affairs): Yesterday the Prime Minister mentioned that I would report on the meeting of the Canada-United States ministerial committee on joint defence which took place in Washington yesterday. This was the fourth meeting since the committee was established in 1958 and the first meeting since 1960. The early convening of this committee had been agreed at meetings between the Prime Minister and Presidents Kennedy and Johnson last year and in January of this year. The United States was represented by Secretary of State Dean Rusk, the Secretary of the Treasury Douglas Dillon and Secretary of Defence Robert S. McNamara. My colleagues on the Canadian delegation were the Minister of National Defence, the Minister of Finance, the Associate Minister of National Defence and the Minister of Defence Production.

Among the subjects discussed were the changing nature of the threat to the North American continent and measures to meet that threat. There were no negotiations of any kind relating to nuclear weapons and no new commitments were entered into. We also took the opportunity to review developments in NATO which have taken place since The Hague meetings in May.

We discussed the interest of both governments in achieving an effective arms control and disarmament program and examined a number of proposals now before the disarmament committee in Geneva, including a "bonfire" of equal numbers of U.S. and Soviet medium bombers and the cut-off and cutback of the production of fissionable material. The United States expressed appreciation for the Canadian initiative in the field of international peace keeping activities. I described the conference which we hope to organize later this year among interested nations for an exchange of experience and views concerning training and preparations for peace keeping under UN auspices.

At this meeting there was a useful review of the defence production sharing program which Canada and the United States embarked upon in 1959. The agreed object of this program has been to maintain a rough balance in the purchases of defence equipment in each other's country; this has been reaffirmed. A special study is to be undertaken with a view to maintaining this balance over the next few years during which we will be making a number of new defence equipment purchases. My colleague the Minister of Defence Production will be able later to elaborate on this aspect of yesterday's meeting.

It was natural that the situation in southeast Asia should have been a matter of special attention at this meeting. There can be little doubt about the depth of the concern of the United States government about the manner in which communist China and North Viet Nam are attempting to extend their influence through intereference in the affairs of Laos and South Viet Nam. We came away with the clear impression that if the communist powers seek to continue their subversive activities in neighbouring states, a serious situation could develop.

We formed an equally clear impression that the United States objective is simply the proper execution of the Geneva accords of 1954 and 1962. The latter provided specifically for the neutrality of Laos, and the United States wants nothing more than to see this neutrality respected and effectively safeguarded. I am satisfied that if the communist powers for their part would observe those agreements, the United States, which seeks no permanent bases or special position in either Laos or South Viet Nam, would no longer find it necessary to take special measures to support the governments of those two countries.

For our part we pointed out the special position which Canada has in Indochina by virtue of its membership in the international supervisory commissions. The U.S. ministers fully understood the limitation which this fact places on our activities in this area and made no effort to press upon us an alteration

of our current policies; and I may say, as the Prime Minister affirmed yesterday, there is no intention on the part of Canada to undertake any new military obligations in this area. Any action on our part could only arise pursuant to our obligations under the United Nations charter.

The ministerial committee on Canada-United States defence happened to coincide with the visits to the U.S.A. of Prime Minister Inonu of Turkey and Prime Minister Papandreou of Greece, who had been invited to Washington by President Johnson to discuss the Cyprus question. As Canada has a heavy stake in both men and money in the UN peace keeping operation in Cyprus, it was desirable that I should take advantage of their presence to see these two leaders of countries with whom we are allied in NATO and who are directly concerned with events in Cyprus.

I therefore took the opportunity to have meetings with both of them and to express again, as I had done at The Hague in May, my earnest hope that they would refrain from any action which might render more difficult the peace keeping task on the island or jeopardize the security of NATO. I also reaffirmed Canada's impartiality in this affair, emphasizing that our purpose in Cyprus is to assist in restoring order in a way which favours neither side in the difficult communal dispute on the island.

I am satisfied that both men are experienced statesmen who have no desire to see the relations between their countries deteriorate, but who are caught up in a vortex of pressures which are causing great difficulties for both countries. I am confident that both are men of peace who will do all they can to bring about a stabilization of the situation in Cyprus and an improvement in the relations between their two countries.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): No one would wish on an occasion such as this, without having reviewed the remarks of the hon. gentleman, to make any lengthy statement. However, I should like to refer to two of the matters to which he has alluded. The first he passed over very lightly. The discussions which have taken place revealed, he said, a change in the nature of the threat to North America. I wish he had carried on from there and told the house what apparently was said during the course of this discussion, namely that the bomber threat to North America is receding, and receding rapidly. This is something that we contended when we were in office and which contributed to the course of action we took relative to the necessary defences in Canada to assure co-operation with the United States in this regard.

Certainly it would have been very helpful if, instead of generalities, the hon. gentleman had frankly admitted this situation to exist; in other words, that it is now generally agreed that the bomber threat has diminished. It is very difficult to understand such an admission in the light of a statement made by the Minister of Finance outside the house in the last couple of days that the Bomarc missile sites will be retained, and that it is expected they will continue to be required for several years. This is a statement altogether out of keeping with the stand being taken by the United States with regard to Bomarc installations, necessary as these were at the time of their installation.

In respect to southeast Asia, the minister spoke with that care which a minister must always exercise regarding conditions in Viet Nam and Laos. I, of course, have no information, nor have I ever been provided with any information by the government respecting the situation there although one would have expected that such information would be made available to the Leader of the Opposition, as it is normally in the United Kingdom. The position in southeast Asia is very dangerous, dangerous to the peace not only of Asia but of world as a whole. We in this country, knowing that the United States has an international responsibility which covers the entire world, should not do anything which would have the effect of giving to the Chinese or other communists operating there the idea that we are not in unity with any action which the United States must take, short of war, to preserve and maintain the integrity of those countries. Declarations are made from time to time as to boundaries and the integrity of countries. These countries in southeast Asia today are in a perilous position; perilous to the preservation of their independence and perilous to world peace if there is any indication given that in the western world there is no unity regarding courses or stands that should be taken.

I think Canada—and I take this from the words of the minister—followed that course very carefully in the discussions that took place yesterday, because the minister has just pointed out that there were no undertakings given to increase or expand in any way Canada's contribution there. That being so,

we ought to be careful not to do anything that would have the effect of arousing hope among communist nations in Asia of a divided opinion in the western world in this regard.

With regard to Cyprus, I would like to have had the minister give further detail in connection with the problem there. The withdrawal of so large a proportion of the British force must inevitably mean that other nations will have to contribute additional troops, for certainly the numbers that have been there have not been able to bring about the hopeful expectations of the minister at the time the Canadian force was first sent. We can only hope that there will be a recognition by both Greece and Turkey of the terrible danger to NATO in their conduct on internecine separation. It was because of this that yesterday I suggested to the Prime Minister, this being one of the matters that certainly will be discussed at the prime ministers' conference, that a day should be set aside to discuss these matters so the Prime Minister will have a consensus of the representatives of all the people and all parties in this house as he attends this important conference.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I am glad the Secretary of State for External Affairs has made a statement so soon after his return from Washington. He has dealt with three matters, and I would like to comment very briefly on each of them.

I would certainly have liked more detailed information regarding the minister's statement about the changing nature of the threat to North American defence, because one can only assume that if the threat is changing then the commitments which Canada will be called upon to make must also be changing. We would certainly like to know what changes in commitments are being made.

I would have liked to hear the minister state that the Canadian representatives at the conference yesterday had made it clear to the Americans that the Prime Minister of this country had committed himself and his government to a withdrawal from a nuclear role, in order that Canada might devote its resources to a role in international affairs more in keeping with its wealth and technological capacity. I do not think the government can keep on postponing this matter. The government have definitely gone on record as saying that the Bomarcs were taken as the result of what they considered to have been a previous commitment, but that Canada would phase out of this role as quickly as possible. I had hoped that the minister would state that this had been made clear to the United States, and that if there is a changing threat to North America, Canada's role would be changed and the nuclear role would be discontinued.

All hon. members will be interested in the defence sharing arrangements which have been agreed upon. I hope that at an early date the Minister of Defence Production will give a report to the house in order that we might have some idea what this rough balance between Canadian and United States purchases really amounts to and to what extent Canada will be favourably considered in such a division of defence purchases.

With reference to southeast Asia, the minister said that the United States is concerned about a situation which could become very serious. May I say that in my opinion the seriousness has been contributed to very substantially in recent days by some of the statements which have been made by United States military personnel and government officials to the effect that the United States is prepared, if necessary, to risk an all-out war with mainland China in order to carry out what it considers to be its commitments in southeast Asia, and there is open discussion by U.S. military leaders of an invasion of North Viet Nam.

The minister in making his report this morning said that the United States is seeking to enforce the Geneva agreements. As I recall them, I do not think the United States is a signatory to these agreements, and it is rather strange that a nation, not a signatory to these agreements, is now placing itself in the position of an enforcer of agreements it did not sign. I think this concept of the United States as the world policeman to interfere wherever it feels its interests are being jeopardized, on the excuse that it is enforcing somebody else's agreements, is completely fallacious.

I do not think it is enough for the government to come back to the House of Commons and to say they made no new commitments in southeast Asia. I would hope that the government of Canada makes it clear to the United States that we view with alarm unilateral action by the United States, and that we wish to dissociate ourselves from any repercussions which may arise from the policy which it has adopted.

I cannot agree with the statement made by the last speaker that we should support any action short of war. It seems to me that this

is brinkmanship of the worst kind, because we cannot say what action will be short of war or which will result in war. If the situation in southeast Asia demands military action, then that military action ought to be taken by the United Nations, not by the United States unilaterally projecting itself into an area where it has no international obligations and where its action would seem to be predicated very largely upon its own vested interests. I trust that the Canadian government will make it clear to the United States that we are deeply concerned about the trend of events and the announcements which have been made by the United States with respect to southeast Asia.

I am sure all hon. members are glad the secretary of state was able to see representatives of the Greek and Turkish governments. I think he is quite right when he says these men are caught up in a vortex of pressures and hysteria which they find very difficult to control. I think the government are to be commended for their steadfastness in the Cyprus situation. I was glad to see that the Canadian government has indicated it is prepared to continue its commitment with regard to supplying forces for the peace keeping activities in Cyprus.

We may have to review our contribution in this regard, or ask the United Nations to review the contributions of the various nations. I notice that General Gyani, who is leaving his position as commander of the force, says that a minimum of 10,000 men is required. With Britain withdrawing some of her forces this means there will be a very great shortage of United Nations military personnel in Cyprus. This may mean that the United Nations will have to ask more nations to contribute, or ask some of the nations who are already contributing to make a larger contribution.

I hope that at a very early date the Prime Minister will arrange for a full debate on the Cyprus situation in order that members may have all the information the government can give us, and so that, at the same time, the world at large will know that the great bulk of the members of this house are solidly behind the government in giving wholehearted support to maintaining a United Nations police force in Cyprus in the hope that we can restore peace and order in that island and prevent the trouble there from spreading into a large scale war.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I am sure all members of the house are grateful to the Secretary of State for External Affairs for his statement this morning. While this is not the time for prolonged remarks, I too should like to add my brief comments.

I think the statement he made relating to his talks with the heads of state of Greece and Turkey contains the most encouraging words we have heard about Cyprus for several weeks. Certainly he is to be commended for taking the initiative in this regard and engaging in discussion of this very critical problem with these men as I think only a Canadian can at this particular time.

It is reassuring to me, as I am sure it is to all Canadians, that he found these men sensitive to their own responsibilities with regard to peace not only in that area but as it relates to the whole world. It is also reassuring to me to know that while we are in the midst of trouble in the Middle East and Far East, talks are still continuing relating to arms control and a disarmament program. Probably these topics seem very remote as crises continue to arise throughout the world, but certainly this is the only solution to the overall problem of peace if peace is ever to come to pass.

There is no question at all but that the situation in southeast Asia is one of the most critical in the world today, and when we talk about the necessity of reviewing our contributions to peace keeping projects such as Cyprus I think it is also necessary that we keep reviewing the international scene in the light of developments. While the United States may not have always followed correct policies and may have made many mistakes, there is no doubt that that nation is the only reason at this time why the whole of southeast Asia has not been taken over by the communists, which would have meant that parts of the commonwealth, not just on the Asian continent alone but also Australia and New Zealand, would have been facing much greater danger from the communist threat than they are today.

Therefore I think it is good that liaison and dialogue with the United States should continue. It is very easy to stand up and condemn the United States for what they are doing, to take what is too often interpreted as an anti-American attitude, and lose sight of the fact that if it was not for the Americans assuming some of these responsibilities the world would be in a much graver state than it is at the present time. Therefore talks such as have been held in the last several days with relation to the situation in various areas of the world, the subject of co-operation in the defence of this continent

and the sharing of defence programs, are good. I think the government should be commended in this regard, and I hope these discussions continue on the same basis.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, meetings at the higher level between two countries like Canada and the United States are similar to a discussion between an average country and a colossus among nations, indeed the greatest country in the world with regard to wealth, natural resources and human potential. When discussions like that are launched, they give some food for thought.

First of all, it is obvious that we should not let ourselves be assimilated or wiped out by a giant like our neighbour country, when we have to face decisions. At such a time, we might know the sad fate of a pygmy confronted with a giant, and who is up against more than his match.

On the other hand, because we are not as big as our neighbours, we lack their financial power, as well as their resources. Under the circumstances we should not try to emulate their development, as we would be unable to keep up with them; we should not try to do as much as they do, because we would exceed the limit of our possibilities and then we would be on the verge of a catastrophe.

Canada must do its share as far as the North American defence is concerned, but not on a par with a colossal neighbour; Canada should not let itself be assimilated, but neither should we do more than our share.

As far as Indochina is concerned, Canada should keep away from that issue, more particularly with regard to the manner in which our southern neighbour is trying to settle it at this time.

The United States is trying to impose its ideas by force in Viet Nam, Laos and the whole Indochina region. There are a great number of people, throughout the world, who believe that the United States is going about it the wrong way in dealing with the problem of Indochina.

For our part, we prefer the suggestion advocated by General de Gaulle, that is, the neutralization of all of Indochina, in cooperation with the neighbouring countries, including communist China. In our opinion, that is the only solution which could put an end to the guerillas and war that are now going on in Indochina.

The French tried for a long time to dominate that country. The United States will not get off scot-free, so I cannot see what Canada would be doing in such a region, where the problems are internal ones, since they have to do with a people who wants to free itself from all foreign influence and domination.

With regard to Cyprus, I understand that the Prime Ministers of Turkey and Greece may have met the President of the United States, but we must keep in mind—and I think the Secretary of State for External Affairs should keep this in mind, especially when there are 1,100 Canadian soldiers in that country—that the problem of Cyprus is not the problem of the Prime Minister of Canada but the problem of the people of Cyprus.

The domestic problems of a country cannot be settled by external intervention. It is because too many Cypriots think as Greeks or as Turks and not enough as Cypriots first and foremost, that they are faced with those problems. It should not be the part of neighbouring countries to impose a solution on them, they should instead suggest to them means to get on well together.

Concerning the question of a debate on Cyprus in the house, I remember very well that we had an opportunity for such a debate once, and the government as well as the Leader of the Opposition and the hon. member for Burnaby-Coquitlam (Mr. Douglas) decided then that the debate should be carried on as quickly as possible—

[*Text*]

Mr. Churchill: I rise on a point of order, Mr. Speaker. Are we indulging now in a debate, or are we supposed to be having brief comments on the statement made by the Secretary of State for External Affairs?

Mr. Speaker: To answer the question directly, the comments are supposed to be brief.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I do not believe my remarks are any longer than those of the Leader of the Opposition, and if the latter, as well as the member for Burnaby-Coquitlam, thought it appropriate to speak about a debate in the house on the Cyprus question, in my opinion, I may also speak on it.

We refuse to let ourselves be gagged like that. I do not think that a debate in the House of Commons on the Cyprus issue is imperative for we shall not settle the Cyprus problem in this house; the Cypriots themselves will eventually solve their own problem. To my mind, the house is faced with issues of sufficient importance without initiating a new debate on the Cyprus problem.

In any event, it is rather in showing friendship to the Cypriots, in furnishing the economic assistance they need to establish themselves as an independent nation, both from the industrial and the agricultural points of view, that we shall help solve the Cyprus problem, but not in supplying them with armaments.

[*Text*]

INCOME TAX

NOTICE OF TERMINATION OF CANADA-UNITED KINGDOM AGREEMENT

Mr. E. J. Benson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I should like to make a brief statement on behalf of the Minister of Finance about the revision of the Canada-United Kingdom income tax agreement.

The minister stated in the house on June 11 that it is the intention of the government to seek the revision at an early date of the Canada-United Kingdom income tax agreement. He also thought it appropriate that the house be informed at this time that as part of these proceedings the government has followed the procedure contemplated in the agreement and has given the government of the United Kingdom notice of termination of the present agreement in accordance with the terms of article XVIII thereof. Under the terms of the agreement, notice must be given by one contracting government to the other before June 30 of any year if it wishes to bring to an end any feature of the agreement by the 1st of January of the following year.

As previously stated by the minister, it is proposed that meetings of officials be held as soon as possible with a view to concluding a revised agreement, and it is hoped that these can be concluded before the termination of the present agreement comes into effect in 1965.

Hon. George C. Nowlan (Digby-Annapolis-Kings): The announcement just made by the parliamentary secretary to the Minister of Finance is important. The Minister of Finance did suggest that this procedure would be followed. As the parliamentary secretary has pointed out, and as I recall the treaty, we have to give notice before June 30 in any one year to be effective the following December 31, that this treaty is abrogated. I presume there have been several preliminary discussions because there are some difficult problems which have to be solved before a new treaty can be negotiated. We have to negotiate that treaty and have it approved before December 31; otherwise we will be in the unfortunate position of having no treaty whatever.

BANKING AND COMMERCE

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE

Mr. L. T. Pennell (Brant-Haldimand) moved:

That the third report of the standing committee on banking and commerce, presented to this house on Tuesday, June 16, 1964, be now concurred in.

He said: Mr. Speaker, may I ask the indulgence of the house to offer an explanation of this report. The report contains the usual request that the committee be permitted to sit during the hours the house is sitting. In order to allay the fears and objections that have been voiced earlier in the house, I wish to give an undertaking that such a course will not be adopted without a prior meeting of, and approval by, the steering committee.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I would like to say just a few words on this matter. I am the one who asked, a few weeks ago, that this motion follow the ordinary course of procedure, that is that 48 hours' notice be given before it be brought forward, so as to point out that committees often ask to be permitted to meet while the house is sitting. We do not object to that; on the contrary, we believe that committees must carry out the very important work they are entrusted with.

However, something happened recently, which prompted us to open our eyes and to ask for some explanations. Such an opportunity is being afforded to us this morning.

Recently the very important question of a Canadian flag was before the house. And while the main speeches on that subject were delivered by the Prime Minister (Mr. Pearson), the leader of the official opposition (Mr. Diefenbaker) and the hon. members for Villeneuve (Mr. Caouette) and Burnaby-Coquitlam (Mr. Douglas), the very important committee on railways, canals and telegraph lines was hearing evidence by the president of the C.N.R., Mr. Donald Gordon, and the president of Air Canada, Mr. MacGregor.

In view of such a fact where many hon. members wishing to hear the Prime Minister's speech on that question had to attend the sittings of that committee, we feel that in the future committees, while being permitted to sit at the same time as the house,

should not do so while debates on important problems are going on in the house and while the Leader of the Opposition and the Prime Minister are making important statements.

I think that the hon. member for Brant-Haldimand (Mr. Pennell) understands the situation. So, I feel that members of steering committees should obtain the approbation of the hon. members before holding meetings while the house is sitting, so that committees do not sit when there are important discussions in the house.

[*Text*]

Motion agreed to.

BUSINESS OF THE HOUSE

EXTENSION OF SITTING HOURS—NO SITTING ON JULY 1

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, there is a motion on the order paper to extend the hours of sitting of the house. I am pleased to report that following a series of meetings between the house leaders and myself, all parties in this house have agreed to a modified version of that motion. The modifications are as follows; that instead of sitting on Friday evening it is proposed that the house sit continuously between 10.30 in the morning and 6 p.m., and on July 1, Canada day, there will be no sitting of this house.

I therefore move, seconded by the Solicitor General (Mr. MacNaught):

That, commencing on Monday, June 29, 1964 and thereafter until adjournment for a summer recess, the hours of sitting of the house shall be as follows:

Mondays, Tuesdays and Thursdays—from 2.00 p.m. to 6.00 p.m. and from 8.00 p.m. to 10.30 p.m.

Wednesdays—from 2.00 p.m. to 6.00 p.m.

Fridays—from 10.30 a.m. to 6.00 p.m.

That proceedings on an adjournment motion, if any, on Mondays, Tuesdays or Thursdays, under provisional standing order 39A shall be deferred until 10.30 p.m.

That when this house adjourns at 6.00 p.m. on Tuesday, June 30, 1964, it shall stand adjourned until Thursday, July 2, 1964, at 2.00 p.m.

That in relation to the above, the provisions of standing orders 2 and 6 be suspended.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, as the minister has said there is agreement in this connection. In point of fact I feel that the extension of the hours of sitting that we have regularly followed for several years is something that might well receive the attention of the committee on procedure. I believe the hours we sit should be materially increased and be in keeping with those that are followed in the United Kingdom where, as you know, the house sits between 6 and 8, and during the dinner hour many opportunities are given to members to express views without being in danger or in fear of any division being called. I think the increase in hours that has been agreed to is a worthy step.

I would, however, suggest that as it is to apply until adjournment for the summer recess, some general indication be given by the government as to when it may hope that will take place. I know immediately it will be said "Well, get on with the business." I say get on with the business, and let it be business of priority rather than such things as the flag and anthem and the like, which could be held over at a time when serious economic conditions are already showing in our national position.

I would like to see the government make use of these increased hours to bring before the house, instead of such matters as I have already referred to, questions such as the loans for students and family allowances. In the economic field, what action will be taken to meet a situation that has already become apparent? In the month of May our exports increased by only 2.9 per cent, and if it were not for the wheat sales to the U.S.S.R. our exports in May would have been lower than they were a year ago.

Our exports to the United Kingdom, to the United States and to commonwealth countries were down in the month of May as compared to what they were a year ago, and this is something which we should be looking into. Then there is the question of our balance of payments. The current account deficit increased in the latest quarter to $341 million, reversing the favourable trend since 1962. The non-merchandise deficit was up 25 per cent. United States long term investment in Canada was $58 million compared to $373 million in the first quarter of 1963, and there is an outflow of capital.

Mr. Winch: On a point of order, Mr. Speaker, it is quite obvious a person can introduce matters which he thinks should be discussed under the lengthening of the hours, but surely we are not going into a debate, and the Leader of the Opposition is entering into a debate on this question.

Mr. Diefenbaker: Mr. Speaker, I am simply pointing out that these are matters of priority and pre-eminence. It is not a question of debate; it is a question of how these hours are going to be used. There has been an

outflow of capital and security transactions. I could go on and on mentioning these economic portents, but even though they are apparent to everyone the government does not act but brings these comparative trivialities before parliament in the face of priorities that should be receiving attention. We accept the increase in hours, but let the government place before parliament things that will help Canada economically rather than play around with issues that divide the nation.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the members of this party are prepared to support the idea of the extended hours, but we are not too sanguine that by itself this is going to speed up the business of the house. We are willing to give it a try, but we maintain there are a number of things, as was suggested yesterday, which we ought to do, such as attempting to reach some common agreement about limiting the length of debates, putting up a limited number of speakers on certain legislation so that we can shorten the length of debate on various questions.

We are hopeful that the committee of which Your Honour is chairman, and which is working on this problem, will be able to present some useful suggestions to the house at an early date. The view of the members of this group regarding the priorities of business is already well known. We think there are a number of important items on the order paper, and other items which are not on it but which the government has said it is preparing to place on the order paper, which should have a higher priority than some of the matters we have been discussing.

One of the conditions on which we agreed to an increase in the length of sittings was a suggestion to the Minister of Justice, the house leader for the government, that we try to agree on a possible adjournment date for the summer recess. I recognize that if certain legislation has to be passed it is not possible to set a specific day, but if the parties could agree on a target date I think it would be very useful to members in planning their work in their constituencies, in planning the work of the committees of the house, and also in trying to reach some agreement about limiting debates. I hope the various parties will consider the possibility of setting a tentative date at which we could aim for the summer recess.

We trust the government will bring down some of the legislation which it has announced and put it on the order paper so we will have a chance to see it, and we trust that the government will not insist on leaving all these very important matters until after the flag debate has been disposed of. We have particular reference to the student loans legislation, the family allowances legislation, the Canada pension plan and the national labour code, in which we are extremely interested and which the government has expressed its intention of putting on the order paper at an early date. We hope these matters can be discussed and dealt with prior to a summer recess. In the meantime I think it would be useful to try to set a tentative date by which parliament could adjourn.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, the house leader for our party is the hon. member for Fraser Valley (Mr. Patterson). He was called by the government house leader and met with most of the house leaders of the different parties and made an arrangement—

Mr. Grégoire: With one exception.

Mr. Churchill: Not with me.

Mr. Thompson: —to lengthen the hours of sittings with the hope that this would be one measure to expedite the work of the house. During the progress of these discussions the hon. member for Fraser Valley talked to me about them and informed me what was being discussed, as I presume the house leaders of the other parties did with their leader. We agreed with the government house leader that we would support such recommendation; and we give our support to it now without anymore discussion.

I do not believe this is the only answer to speeding up the work of the house but it is one measure, at least of intent and good will on the part of the parties in this house to do something better than what we have been doing. Therefore, while we are all concerned about a summer recess, we are also concerned about priorities and about making more progress, so let us agree with the proposal that has been put before us by the government house leader.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, we support the motion presented by the Minister of Justice (Mr. Favreau) concerning the extension of the sitting hours in order that we can have a summer recess.

I heard a while ago the Leader of the Opposition (Mr. Diefenbaker) tell us that we should defer the debate on the flag issue to deal with exports, family allowances, the labour code, etc. It is true that exports, in short, any problem concerning the national economy is more important than the adoption of a flag. However, we do not object to accepting immediately a distinctive national flag. If the Leader of the Opposition were ready to vote today on the resolution for a distinctive national flag, this would settle the problem, because every Canadian wants one.

As for part (b) of the resolution, we could wait till next fall or the spring to discuss it. However, it is surely not the flag issue which prevents the government at present from legislating or from introducing its legislation. It is the opposition that wants to discuss the flag to submit its own design in an attempt to confuse the issue as much as possible.

Let us put a stop to our discussion and settle the matter of the flag right now. As I said yesterday, and I repeat it today, the cleavage between the two racial groups of Canada is getting even worse, and I hold the Leader of the Opposition responsible for this situation.

Mr. Speaker, we, in this part of the house, are ready to vote on the flag resolution immediately and to proceed afterwards with the legislation to see what can be done as soon as possible.

We strongly and fully support the motion of the Minister of Justice, leader of the house, to extend the hours so as to enable us to pass some pieces of legislation which will prove beneficial, we hope, to the Canadian people.

[*Text*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I believe there was agreement, certainly in my party, to an extension of hours if that is going to accomplish something. But I wonder whether the general public is not asking itself what we are really concerned to pass, and whether there will be a recess or whether we intend to go on throughout the summer. The Prime Minister, in a genial, offhand way, said we might have a long week end some time in September. If that is the case I see no reason to consider any changes in the order covering our sitting hours. The public must wonder just what are the legislative preferences of the Prime Minister. I can only think of three things which need to be passed before a recess, if the Prime Minister wants a recess in July. They are, of course, family allowances, student loans and interim supply. If the government wanted interim supply for the next three months they should have asked for it, instead of asking for only one month's supply. The Prime Minister shrugs his shoulders. I am sure he is aware that if he gets interim supply now he has immediately to begin considering next month's supply. The right hon. gentleman can shrug his shoulders and laugh about it if he wants to, but he must be aware of these things, or if not he should be.

A great deal has been said about getting on with the business of the house, but how can one really arrange things when the leader of the government is not willing to say what he wants? The last time he spoke on this subject in the house he read a long list of items he wanted us to pass, a list containing some 35 or 37 items. Some of those things have been on the order paper for a couple of years. Surely he was not serious about that list. Some of these things have been around for a long time.

Mr. Pearson: Too long.

Mr. Peters: I think it is silly to tell the public we intend to accomplish something by extending our hours as an emergency measure. I am inclined to agree with the Leader of the Opposition when he says "Let us change the rules, lengthen the hours and make it a permanent arrangement". As for asking the house to make exceptions, to change the rules for the purpose of obtaining a summer recess, the Prime Minister will have to be more honest with the house than he has previously been.

I do not really care if we start the business of the house at nine o'clock in the morning and run it through to twelve o'clock at night. It does not matter to me, but let us adhere to it all the time. This is not an emergency; this situation has been cropping up throughout the seven years I have been in the house. It is not only the present Prime Minister who is concerned; the previous prime minister was in exactly the same position. We have no timetable here. We do not know what we are going to do at a certain time or when we are going to complete it.

The backbenchers in this house have some responsibility, too, and they should know what they are going to do. They should know what it is intended to place on the order paper and what is the government's preference for legislation. If the government wants to go on with the flag issue it may take a couple of months—

Some hon. Members: Oh, oh.

Mr. Peters: It will not be delayed so long because of me, I am simply guessing that it is not going to pass in a day or two. The government should be able to assess the position.

I see in the house today many hon. members who have children. I am sure most of them have. If we are to have a recess we do not want one in October or November; we should be able to arrange our business so as to have one in July and August. Again the Prime Minister laughs. Maybe he has no children of school age. Maybe he does not want a holiday in July and August. I do not really know what he wants.

Mr. Pearson: We want to get some business done.

Mr. Peters: I do know that he has not been very fair to the backbenchers of this house, and I do not think he has been fair with the other political parties. I say this because I believe he must have some time table and he must have some preference. I should like him to give us some assurance. He is not only playing with parliament, as things are now; he is playing with all the people who are writing to me and asking "Will my children be able to go to school this fall; are family allowances to be increased, because unless we know we shall not be able to send our children on to school?" The Prime Minister is not being fair to them. He is not being fair to those who are going to college this fall.

It seems to me that the country is concerned with this matter, and the government has a responsibility in this direction. We should be given a much clearer indication of what legislation the government intend to present, and I think they can count on my support as well as on the support of most hon. members in this house, if they are fair and honest with us. Before a motion of this kind is passed I think hon. members opposite should make their intentions clear, otherwise the country is going to take a hard look at the kind of irresponsibility which the Prime Minister represents.

Hon. Gordon Churchill (Winnipeg South Centre): I did not intend to say anything, and would not have risen had someone on the government side responded to the very reasonable request which has been put forward from this side of the house. The request is simply this: What is the meaning of the words "until adjournment for a summer recess"? Surely some date could be set so that people could make plans. If the phrase has no meaning, I suggest it be struck out.

There is a question of good faith here. The hon. member who spoke before me made a very reasonable plea for those in this house who have families. How in the world are they ever to have a chance to get to know their children unless they are given an opportunity during the summertime? It is a ridiculous situation that this house should sit throughout the summer without making provision for some of these matters. I agree with an extension of hours, but if this is to be a permanent feature, and if the government does not grant a summer recess, it may of course go on perhaps until December, and in those circumstances I would want to suggest a modification of the hours while still granting the same number of hours for the entire week because I am a firm believer in an extension of the hours of sitting of this house. Could we not have from the government a statement with regard to the meaning of "until adjournment for a summer recess"? I ask that question for this other reason. I heard the Prime Minister over the radio two or three days ago talking in very vigorous terms about what this house was going to do, and he said, with regard to some of the questions before us, "We are going to sit here until we are finished".

Mr. Woolliams: Oh, he is playing politics again.

Mr. Churchill: I would not suggest that. This is just a question of good faith. We reached an amicable arrangement yesterday in our various meetings and we are not disposed to debate this debatable motion today. We are quite prepared to put it through, but could we not have an answer from the government side; otherwise, if we do not get an answer, I am sure there will be other members who will want to press the point. So let us have the answer now and perhaps we could pass this motion immediately.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be very glad at the beginning of the week to make a detailed statement on the business which the government would like to see completed before we consider an Easter recess—

Some hon. Members: Oh, oh.

Mr. Pearson:—a summer recess. I do not think we will go until Easter, but you never know. I also agree with the hon. member for Burnaby-Coquitlam that if we can fix a target date, that would be a good thing to do.

But if we fix a target date that we are not able to keep, I hope the government will not be blamed for having misled the house; because we can put forward what we consider to be the most important legislation but that does not mean we will get that legislation through in a week, a month, two months or three months. This week we asked for one month's interim supply, because if we had asked for three months we would perhaps be here all summer debating three months' supply. We asked for one month's interim supply, which we have been debating all week. So what is the use of suggesting that we could finish what we have to do on a certain date when we have no idea how long the house will take on matters such as interim supply? We have decided to go ahead with the flag resolution, a matter which the right hon. Leader of the Opposition called a triviality but to which we attach the greatest possible importance.

Some hon. Members: Hear, hear.

Mr. Pearson: When we dispose of that resolution we will be able to introduce into the house other priority matters, which I will mention next week. But the country is told by hon. gentlemen opposite that they are going to debate the flag resolution all summer if necessary.

Some hon. Members: Oh, oh.

Mr. Pearson: If that is the situation, how can we fix a target date or any other kind of date?

Mr. Churchill: Mr. Speaker, I wonder whether the Prime Minister would permit a question.

Mr. Pearson: Of course.

Mr. Churchill: If he is still uncertain as to the subjects he wants discussed by this house during the course of the summer and cannot make that announcement until Monday, would it not be wise to hold this motion over until Monday so we can find out whether these words "adjournment for a summer recess" are put there in good faith?

Some hon. Members: Hear, hear.

Mr. Pearson: They are, of course, put there in good faith. If I make a statement now it cannot necessarily be detailed as to the order of priority from day to day and week to week regarding which measures should be brought forward, because obviously these situations change, which makes it necessary to change the business of the house. That is inevitable. What we have been doing this week shows that.

But there are certain measures—I said this in the house and I do not mind repeating it —that we consider should be dealt with before we consider the question of a summer recess. The flag resolution is one; the extension of children's allowances is another; loans for students is a third; fiscal relations with the provinces is an essential, including new arrangements for contracting out. It is very important to get this through the house and before the provinces for action. The National Defence Act amendment is another. The pension legislation, in so far as we can get that completed, is a very important matter. It may not be possible to do that before a summer recess. But these are priority matters, and there are others.

There is no use my giving a categorical statement that unless we cannot get all these matters through we cannot adjourn for the summer, because we have to make our time table correspond to the realities of parliamentary discussion, and those realities are determined more by hon. gentlemen opposite than by us on this side.

Perhaps I might add this, Mr. Speaker, because I think it is a very practical suggestion. While it is important to extend the hours of sitting at this time, and perhaps we should revise our hours of sitting for the future indefinitely, it is even more important to make arrangements as to the amount of time which should be devoted to any particular piece of legislation. If we can do that then indeed we can set a target date, because if we bring forward four or five pieces of legislation and can agree with hon. gentlemen opposite that we will have three days on one piece of legislation, four days on another, two days on another—

Mr. Churchill: One day for the flag.

Mr. Pearson: —then we would know where we are going and how long it would take us to get there.

Mr. Churchill: That is closure.

Mr. Pearson: We have been putting this suggestion forward for years. The hon. gentleman opposite just said that is closure. If they take that attitude to a constructive arrangement regarding the business to be put before the house which would mean we would know how much time would be taken on each piece of legislation, and call that closure, this explains why in the committee on procedure we cannot get anywhere on this matter.

Mr. Douglas: Mr. Speaker, may I ask the Prime Minister a question before he sits down. With reference to the legislation he has mentioned, can we have some assurance that by at least the middle of next week all this legislation will be on the order paper, so we will have some opportunity to study it? The Prime Minister has already mentioned items which we have not seen and have had no opportunity to study.

Mr. Pearson: There is a resolution in *Votes and Proceedings* today regarding youths' allowances. We will get the resolution regarding student loans on the order paper as quickly as possible. The only reason it is being held up is the difficulties with the provinces; because we have to clear these matters with the provinces, particularly this matter. As soon as we can get the agreement of the provinces as to the actual terms of the resolution, it will go on the order paper at once; and that applies to the pension legislation.

Mr. Diefenbaker: Then it is not we who are holding it up.

Mr. Douglas: With reference to the Canada pension plan, if it cannot be dealt with until the fall there is perhaps no immediate hurry in this regard; but if the Prime Minister wants this matter dealt with before a summer recess we should certainly have a white paper and a bill put before us very soon.

Mr. Pearson: I agree that the house should have a white paper before the pension legislation is dealt with, and we will do our best to have that white paper in print and circulated within the next two or three weeks.

[*Translation*]

Mr. Jean-Pierre Côté (Longueuil): I noticed that the hon. member for Winnipeg South Centre (Mr. Churchill) was concerned about the fathers of young families, who sit in the house. I can tell him that I have eight children whose ages range from 19 months to 15 years, but my wife and my children are prepared to give up their holidays so that we may give our country a distinctive flag as soon as possible.

[*Text*]

Some hon. Members: Oh, oh.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, the Prime Minister made a statement with regard to the importance which the government attached to the flag resolution. I do not want to enter into a discussion on that matter; there is a time and a place to debate that, which is when the resolution is before the house. But I do want to point out that it was with this in mind that on May 25 last I asked the right hon. gentleman this question:

> I wonder whether the Prime Minister could indicate whether the resolution on the flag, if there is to be one, when introduced will be one of the items to which he referred on May 15—

That was when he gave the long, detailed list of legislation to which the hon. member for Winnipeg South Centre referred. I then gave in my question this particular citation. Then I asked the right hon. gentleman this supplementary question:

> Would the Prime Minister indicate whether it is his view that considering the importance the government attaches to this matter, when debate is once entered into it should continue without being interrupted by other government legislation, and that each member wishing to make a contribution should have ample opportunity to do so?

The right hon. gentleman said that he thought that was a very reasonable suggestion. I point this out, that when the government placed the resolution on the order paper, in the light of this answer they could only have anticipated that there would be a lengthy and undoubtedly acrimonious debate. Consequently that must be taken into consideration, having in mind the other items which the government has suggested they want completed before we have a summer recess. Putting this motion on the order paper at that particular time and under the circumstances could have led to nothing else than taking up the time that is apparently going to elapse before any recess will be available.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I heard several members of the opposition ask the Prime Minister to set a date for the summer recess.

A proverb says that the government ordinarily decides when the session will start but the opposition decides when it will end. The opposition, as we know, always has the possibility to discuss any piece of legislation as long as it pleases.

In my opinion, Mr. Speaker, to organize the business of the house in a satisfactory manner, the Prime Minister should first prepare a list of the most important measures he wants the house to pass; he should discuss them with representatives of the various opposition parties. It is at a round table that those representatives of the house will succeed in setting the date of the summer recess for those who want to spend the summer holidays with

their families. The way things are going at the present time, that is rather difficult. If the Prime Minister gives us a list of measures and the opposition is not ready to accept it in full, further discussion or compromise between the party in office and the opposition parties is impossible.

I wonder why the Prime Minister does not, instead, make up a list which he would then submit to the representatives of each of the opposition parties. Then, the opposition parties could decide—as is normally the case, since it is the responsibility of the opposition to criticize the legislation put forward by the government—about the intersession period. I think that this would be the best procedure and it would be better than having the Prime Minister enumerate the bills he would like to have passed before the summer recess. By submitting such a list, there would be no possible compromise as to deciding on the date of a summer recess.

For instance, I can assure the Prime Minister that our party would be willing to pass resolution No. 44a as quickly as possible, but resolution No. 44b not so quickly. As a matter of fact, it is under such circumstances that a compromise can be arrived at, in order to expedite the business of the house.

That is the suggestion we are making to the Prime Minister and to the government house leader, so that the business of the house may be expedited.

[*Text*]

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, the Prime Minister has just stated once again that the flag issue must be settled before we recess for our summer holidays. I suggest to you, Mr. Speaker, that a request has been made to call a plebiscite on this matter, but this request for a plebiscite was denied, the reason being that the Prime Minister was well aware of the outcome and the fate of this flag issue if the plebiscite were taken. I say to you, Mr. Speaker, that the Prime Minister is using this issue as a club over the opposition's head and trying to make them submit to his decision on the flag.

Mr. Speaker: Order. The matter under discussion is the hours of sitting. I wonder whether we could restrict ourselves to that.

Mr. Webb: Mr. Speaker, this is the item I am speaking to. The Prime Minister is using this issue as a club over the opposition's head; he is using loss of holidays and no summer recess as a means to force the opposition into submission on the flag issue, one which he knows will not carry in this Canada of ours.

Mr. Robert C. Coates (Cumberland): Mr. Speaker, the Prime Minister has indicated to the house on more than one occasion that he believes members of the house should have every possible opportunity to express their views as to how they feel about a flag design for Canada, whether it is his flag design or someone else's. He has also indicated that he wants a free and full discussion of the matter. I cannot see how he relates his feelings in this regard, in view of the fact that if each hon. member in the house were to indicate his views in a 15 minute speech the debate would extend almost through the summer holiday season, with his statement today that the flag issue must be settled before we have a summer holiday.

While I am sure we all agree that the flag issue is an important matter, it is one which the Prime Minister promised the Canadian people, he says, within two years of his taking office. The two years do not expire until April 1965. I am sure if he is fair to the members of the House of Commons—and at the same time April 1965 is well within the limits of his solemn pledge—he will agree to set this matter aside, as it is an emotional issue, and consider placing legislation before the house of immediate importance to the Canadian public.

I would ask him not to go forward with this flag debate with the great urgency which he now indicates, placing it before every possible piece of legislation on the order paper, as well as other legislation not yet on the order paper but which is to come. I would ask him to give hon. members the opportunity to be deliberate in their considerations; to give them an opportunity to benefit by the views of other members in the house so they can determine what should be their stand; and I ask him not to set any kind of time limit or to place any impediment on any hon. member with regard to when this matter should be debated and for how long. In view of the fact that we have until April 1965 I would hope that we could take the four immediate necessary steps which will be of benefit to the economy of the country and the Canadian people, rather than forcing this issue to the forefront and setting aside these other matters which were also promised and supposedly so urgent.

Some hon. Members: Oh, oh.

Mr. Coates: I do not know why hon. members are interrupting me.

An hon. Member: We want you to sit down.

Mr. Coates: The Prime Minister has not brought forward legislation which he promised the Canadian people over a year ago, and I think he should take steps to do so rather than to force through something which he did not promise the people of Canada until 1965. That is the question in the minds of most people in Canada.

Some hon. Members: Oh, oh.

Mr. Coates: Mr. Speaker, I have asked the Prime Minister on many occasions—

Some hon. Members: Sit down.

Mr. Coates: —to proceed with other legislation which would be of greater benefit to the Canadian people and the Canadian nation than forcing this flag debate on this house.

Mr. Speaker: Order. I understand the hon. member has just finished.

Mr. Reid Scott (Danforth): Mr. Speaker, if there was any understanding in the house as to where we were going this morning it seems to me it has been completely obliterated by the remarks of the Prime Minister. I for one resent very much his suggestion that he keeps throwing out to the effect that the delay in the business of this house is in any way occasioned by the actions of opposition parties.

Let us just consider that suggestion for a moment. It was not too many weeks ago that the Prime Minister got up and gave the house a list of some 38 items which he wanted to have passed before a summer recess. Then suddenly out of the blue came the flag, about which we heard nothing. The Prime Minister objects to the official opposition registering their views on the flag, and his backbenchers call it a filibuster. I do not agree with the official opposition on the flag issue, but they hold their views seriously and they insist upon stating them. I say that when the Prime Minister brought in the flag resolution he knew he was sabotaging his own legislative program.

We all know the views that many members of the official opposition hold, and we know they intend to express them. The government knew that; the Prime Minister knew that. Yet he precipitated the issue of the flag; and when he persists in having it deal with before a summer recess he knows there is not going to be a recess and we might as well stop talking about it. I know that as far as I am concerned, and the other members of our party, I believe, I am sure we can forget all about a recess because if he is going to insist on the flag issue being dealt with in addition to these legislative items, if he is really sincere about dealing with them, there is not going to be a summer recess at all.

We want to deal with these matters, and we are prepared to sit here and deal with them. But it does not lie in the Prime Minister's mouth to come here and say that the fault lies with the official opposition, and then say that he cannot even bring in the family allowance legislation because he has not reached agreement with the provinces. This is his responsibility, and the fault lies on his head. Then he tells us this morning that we have to deal with financial arrangements with the provinces, something we had not heard about.

Mr. Pearson: It is on the order paper now.

Mr. Scott: It has suddenly appeared out of nowhere. We have been asking that the student loan legislation be brought before us. All I am trying to point out, and I think it should be made clear, is that this is certainly the most stupidly and illogically organized legislative program within our memory, and that the fault for this lies squarely on the heads of the government. There is really no point in passing this motion now because we are going to be here all summer, and we may as well make up our minds to that at this time.

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I rise to support some of the comments of the previous speaker and to make a few of my own with regard to the motion. We in the official opposition agreed to the presentation of the motion. We will support it, and I hope it will pass before one o'clock. We have agreed to it simply because we feel there are legislative items that must come forward. This has been said before. But what bothers me is that there are quite a number of items on the order paper which have to be referred to committees if a reasonable amount of work is going to be done on them in committee. Surely these matters could be brought forward immediately and referred to committees.

We have talked about different items. The hon. member for Timiskaming mentioned three. I agree with him that they require immediate consideration, particularly the student loan legislation. Yesterday we tried to obtain a commitment to have that item

brought forward, and today the Prime Minister has made an explanation involving the provinces. I brought up this matter yesterday on a non-political basis, and it was the Liberal members who laughed at my suggestion and tried to howl me down. I was extremely serious about the matter because I am closely associated with the problem. We want this legislation brought forward immediately.

With regard to the flag debate, I should like to say that following the invitation extended to us by the Prime Minister I have asked, not demanded, that anyone who has strong views in this regard should express them in the house on the basis of that invitation. We are now prepared to go forward on that basis. We have one amendment before us now. How many more amendments will there be? No one in the house knows, but there is no question but that if other legislative items are not brought forward before the flag debate continues there will be no summer recess.

This does not particularly concern me. I am one who believes I must express my views in regard to the flag question whether I want to or not because the people of my constituency have strong feelings on this matter. They are now asking what is the matter with parliament. I say, Mr. Speaker, that if we do not have some decent organization of our business the people of the country will have good reason to lose faith in this parliament.

Not only has the government made one horrible mess of the presentation of legislation but the situation in the house is, I must admit, equally as bad. That has been shown this morning, Mr. Speaker. But you cannot expect a responsible attitude on the part of members in the house if we do not have a responsible presentation of what the country really needs. There can be a lot done for the country if the Prime Minister will bring forward legislation that is good for the country. I know that is the opinion of the people of the country. He can certainly set back the flag debate and bring this legislation forward. This is what the people of Canada want.

We promised yesterday that we would co-operate in regard to student loans, something that we feel is very necessary, and the Prime Minister will receive equal co-operation on every other basically good piece of legislation he brings forward. But we do not want to be muzzled on the flag debate. Members can make their speeches on that subject at any time. When I have made my speech somebody else can rise and make his speech. I plead with the Prime Minister in the name of common sense not to mislead us where Canada's affairs and the flag question are concerned. We intend to support the motion.

Mr. Pearson: May I ask the hon. gentleman a question. He indicated in his very interesting remarks that there are certain things on the order paper that should go to committee where they could be given immediate consideration. Is he speaking on behalf of his party on this matter, and if we bring these matters forward at once will he give us his assurance that they will be referred to committee without any delay?

Some hon. Members: Oh, oh.

Mr. Monteith: Without debate?

Mr. Diefenbaker: More muzzling.

Mr. Winkler: Mr. Speaker, I will say for the party I have the honour to represent that if the Prime Minister will present these matters to the house, we will see that they are properly dealt with.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I have to support in essence what the hon. member for Danforth said a few moments ago. In addition, however, one or two very legitimate requests have been made to the Prime Minister which have not been answered properly yet. For example, in the resolution before us there is specific reference to a summer recess. During the course of the debate more than one member has asked the Prime Minister to give some indication of what the target date is for the summer recess. In my opinion he has given an unsatisfactory answer by saying there are X number of things that must be done, and that the government has no control over how long they will take.

I should like to remind the Prime Minister that last fall there was an enormous amount of work piled up, what might almost be called a backlog, before December 20, the target date for prorogation. If he will turn his mind back to those days he will recall that there was an enormous amount of work in the form of estimates and legislation which went through very quickly during the final week.

There are times when debates on legislation and estimates seem not to be making much progress and appear to be bogged down, but if we did have a target date for a summer recess some of these matters could probably be expedited very rapidly just before reaching that date. I think it is a little unreasonable on the part of the Prime Minister

and the government that they will not give any indication of what date they have in mind for the summer recess, when in fact there is reference to summer recess in the motion they are asking us to pass.

I think these matters can be worked out. The flag debate is one that perhaps will not be concluded expeditiously. But if the Prime Minister would undertake to give us a list of those things that have to go through before a summer recess, and some kind of target date, I do not believe the members of the opposition would hold him to the order he set out, that there must be the flag debate first, then family allowances, student loans and so on. This is the prerogative of the government, to change the order as time progresses. The Prime Minister indicated today that things change; therefore the government has to have the right to change the order.

I believe we should consider some of the suggestions that have been made from this side of the house, and there would be co-operation to expedite many of the things the government wants to get through. If they would give us some indication of a target date probably they would get still more co-operation.

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, once again this year we are witnessing an attempt at blackmail about a summer recess. The Prime Minister and the government have decided to use that trick to force the hand of other opposition parties.

As far as I am concerned, I support a distinctive national flag. But I should have liked the government to use a normal procedure so that the members of the house could put their views forward on that matter. The present action followed by the government means that every day we have a little more blackmail. Every day, they try to exercise coercion through the promise of a summer recess as if we were school kids being told: "If you are good children you shall get a holiday."

I think that such a policy is lacking in elegance. I also think that the government has absolutely no sense of organization as regards the business of the house.

Reference is made to family allowances, which are excessively important, and on which legislation should be passed before the summer recess. We are told that the student loans legislation should be passed before the summer recess. Besides, as a representative from a rural riding, I think that that there is one thing we must do before the summer recess, and that is to pass an appropriate legislation to give assistance to Quebec farmers in order to remedy the high cost of feed grain.

I feel the government should take its responsibilities, stop its childish blackmail about the summer recess and deal with the economic problems of the country. Let it say simply and frankly that there will be no summer recess. However, if the Prime Minister is sincere and absolutely wants a summer recess, let him meet with the other party leaders in order to straighten out a situation which is becoming awful and which is turning this parliament into a laughingstock in the eyes of Canadians. If the government wants us to pass its legislation, let it set out a final program.

Yesterday, the Prime Minister mentioned two or three pieces of legislation which he wants to see passed before the summer recess. This morning again he added another one, of the utmost importance, concerning fiscal relations with the provinces. The house has never been able to pass such a matter in a few hours. I am convinced that when the Prime Minister arrives in the house next Monday, he will add two or three new measures to those he has already suggested and, if he speaks on Tuesday, he will add some more.

It is getting to be a joke which has lasted long enough. The Prime Minister should sit, think over the situation and stop his childish blackmail tricks.

[*Text*]

Mr. Pearson: So far as the remarks of the hon. member for Medicine Hat are concerned, I have already—

Mr. Diefenbaker: Order. How does the Prime Minister get the floor?

Mr. Pearson: I have been asked a question.

Mr. Diefenbaker: What about a second speech? Are we all to have second speeches? Surely this question could have been answered by the mover of the resolution.

Mr. Pearson: Then may I ask the hon. gentleman who has just sat down a question. Would he agree that it would be desirable on Monday for the house leaders to get together and discuss the various suggestions that have been made in this debate this morning, the desirability of setting a target date, when that target date should be, a list of the legislation and other proposals which should be disposed of before the summer vacation? Will

my hon. friend who has made these remarks agree that there should be a meeting of this kind where we can work out the program in detail, and will he give me the assurance that the house leader for his party will attend such a meeting?

Mr. Diefenbaker: That is a case of the old excuse, the old alibi.

Mr. Peters: May I ask the Prime Minister a question. Would it be acceptable if the leaders of the parties discussed this matter, because we feel it is an important matter that should be considered at that level.

Mr. Pearson: That is a very useful suggestion; perhaps a meeting should take place between the leaders of the parties rather than the house leaders, because we have had great difficulty in getting full representation at the house leaders' meetings in the last two months.

Mr. Diefenbaker: The rules are the rules, and the Prime Minister had no business getting up and making a gratuitous statement like that. The responsibility for the difficulties of parliament rests on his shoulders and his inability to organize.

Mr. Pearson: I rise on a question of privilege, Mr. Speaker. The right hon. gentleman is quite right. The responsibility rests on my shoulders; that is why I am so discouraged when we have these meetings of house leaders. His house leader has not attended, and indicated yesterday he would not attend.

Mr. Churchill: I rise on a question of privilege to deal with this statement by the Prime Minister, who has crawled into the gutter again, as he said with regard to me just a few days ago.

Mr. Speaker: I wonder, in view of the fact that there are only ten minutes remaining, if we could not reach some conclusion this morning. The atmosphere seems to be heating up continuously. We have a motion to discuss, and surely we could dispose of it by one o'clock.

Mr. Churchill: I appreciate your desire, Mr. Speaker. Half an hour ago I suggested that there would be no debate on this issue if someone on the government side would tell us whether this phrase in the resolution was put there in good faith or just as a trap. Now we know that this was put in as a trap to conceal their intention.

The Prime Minister has gratutiously made an attack on me with regard to my objection to attend the meetings of house leaders. I desisted attending those meetings of house leaders, and for very good reasons; one, they were not confidential; two, there was a combination of people trying to put me and the party I represent in a false position—

Some hon. Members: Hear, hear.

Mr. Churchill: —three, a member of that house committee divulged items that had passed at those meetings and did not tell the true facts. I said never again would I attend a meeting of house leaders in the presence of that hon. member, and I have not. The Prime Minister has no right to inject these accusations into the debate this morning. It shows the level on which he operates, trying to gain some partisan political advantage out of the statement in the house.

Now he has caused the deterioration of this debate and its prolongation because of his complete incompetence in managing the business of the House of Commons. All he had to do, in response to a reasonable request by the Leader of the Opposition and by the leader of the New Democratic party, was to say he would postpone this motion as I suggested and we would see if we could not come to an agreement over the lunch hour. Let us support this, I suggested, and we will see if we cannot come to an agreement over the lunch hour. That is exactly what could have been done, but oh no, he has held the club over us. He has told us he is going to drive things through despite anything we may wish to do, and is attempting to trap us with an extension of hours so he can get on with something he has produced in the way of a flag and is insisting that this house pass. It is the act of a man who is becoming drunk with power and is showing signs of dictatorship. I ask him to withdraw the remarks he made with regard to me concerning meetings of house leaders.

Mr. Pearson: Mr. Speaker, as one drunk with power I am a little worried about getting on my feet, but may I tell the hon. gentleman who just sat down that I stated a fact, that he did not attend house leaders' meetings for a long time, and he has admitted that himself. I made no allegation or accusation.

Mr. Churchill: An insinuation.

Mr. Pearson: It was explaining why I did not attend. May I ask the Leader of the Opposition this question. If we can arrange this kind of meeting I have been talking

about, with the house leaders, to work out a program by agreement—

Mr. Diefenbaker: On a point of order, Mr. Speaker, how does the Prime Minister get the floor? This is his third speech. The mover of the resolution can do this, but not the Prime Minister.

Mr. Speaker: It seems to me we are at long last approaching some conclusion on this matter of time and subjects and hours, and surely we can reach some sort of agreement by one o'clock. Therefore in that context surely the Prime Minister has almost a duty to suggest to hon. members of the house anything which will assist the house in reaching a conclusion which will be of assistance to the house itself.

Mr. Diefenbaker: Mr. Speaker, the mover of the motion has the right, but surely Your Honour is not making a statement to the effect that any time the Prime Minister wants to get up he can do so, having once spoken. It is for the mover of the resolution to do this.

Mr. Pearson: Mr. Speaker, the very short question I was about to ask, with the permission of the house—

Mr. Harold E. Winch (Vancouver East): On a point of privilege, Mr. Speaker—and I am very sorry to have to get up on a point of privilege when the right hon. Prime Minister is on his feet—I think it is time we made very clear for the benefit of hon. members like myself whether the house is meeting with the Speaker in the chair or whether we are meeting in committee of the whole. It is quite obvious that the procedure which has been going on for the past hour has been a procedure in committee of the whole, and I know there are a few hon. members like myself who want to have something to say when the Speaker is in the chair. Therefore, sir, with all deference to yourself, and although it is now five minutes to one o'clock, I want the right to speak with the Speaker in the chair and not with the house in committee of the whole, to enable me to make my point of view known.

Mr. Favreau: Mr. Speaker—

Mr. Winch: All I want to say is that since we have been in the whole so long, can we not adjourn for lunch and come back with the Speaker in the chair, and hope at an agreed time to bring this matter to a satisfactory conclusion?

[Mr. Pearson.]

Mr. Speaker: I would just like to say that if the Minister of Justice speaks now he will close the debate.

Mr. Winch: In view of what I have just said I could not possibly agree to that. I think, Mr. Speaker, I am not being at all unfair in asking the opportunity to speak on this matter. This session I have not risen to speak very often in the House of Commons, one reason being that due to the way the session has been carried on I have found that more effective work can be done in committees.

We have before us now a most interesting and far reaching resolution. At the time it was moved this morning by the Minister of Justice as house leader I was prepared to accept and support it, but because of the statement made by the Prime Minister I am not certain at the moment as to whether it can or should be supported at this time, or whether it should be postponed for reconsideration after what I hope will be a meeting, between now and Monday, of the leaders of all parties represented in the house to go into a full discussion as to government business.

What has brought me to change my mind, in a period of approximately one hour, on a statement made by the Prime Minister? It is this, sir; that the Prime Minister, whether he leads a minority or majority government, has the responsibility and the authority, and I would hope the prestige, of leading this House of Commons. This morning has given us complete proof that the Prime Minister is not prepared to accept that prestige and responsibility.

I am going to ask the Prime Minister if he will not have the intestinal fortitude and courage to admit a mistake and make a withdrawal. Ninety per cent of our problem today, and for the past days and weeks, arises because of his personal view, opinion, pride and prestige on the flag issue. If the Prime Minister would accept the fact that a decision on the flag issue could be postponed until in November or December, we would be a lot closer to agreement; because, sir, the flag issue, emotional, sentimental and important as it is, is not a question on which a decision before a summer recess will fill one belly of one person in Canada.

May I call it one o'clock Mr. Speaker.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Harold E. Winch (Vancouver East): At the time of the adjournment at one o'clock

I had the privilege of addressing this honourable house for approximately five minutes. In that period of time, short as it was, I endeavoured to make clear my views as a parliamentarian and I put forward certain expressions of opinion to the Prime Minister.

Now that I have a few minutes left this afternoon, I should like in part to repeat what I said and then to follow through with certain recommendations. Although the Prime Minister is not here, I should like to say to him through you, Mr. Speaker, that I understand, or at least I hope I do, the responsibility which rests with that high office.

An hon. Member: He is here now.

Mr. Winch: Of course, I have never had the honour of occupying the position of Prime Minister or premier of a province, but for 12 years I did have the honour of being the leader of the loyal opposition in a province, so I think I know something about the meaning of the word "responsibility". In particular, I am familiar with situations where someone in high office thinks he has made a mistake. What I was trying to express, through you, sir, to the Prime Minister, was this: Never be afraid to admit a mistake or an error in tactics or strategy. If my experience over 31 years means anything it is that people honour a man who will admit a mistake, whether in policy, tactics or strategy. I am being a little impudent in what I am about to say now, but it is my personal belief that our Prime Minister today is not the man this country requires because of a strange mix-up in his personality.

Some hon. Members: Shame.

Mr. Speaker: I think I get the import of some of the hon. members remarks, but the question before the house concerns the hours of sitting, and an analysis of the personality of some other member of the house, even if he is a high official, does not in my view come within the general orbit.

Mr. Winch: That is the basis of my introduction to this particular matter; it explains why we have a motion such as this before us, now. I am not in the least being disrespectful. As a matter of fact I am being one of the honest persons speaking on this measure. I am simply saying that this is one of the reasons we are faced with this problem—the personality of a prime minister who ties together being a professor, a civil servant, a secretary of state for external affairs and leader of a government.

Some hon. Members: Order.

Mr. Winch: Understanding that, is the basis for understanding the problem we are facing right now in the motion before us. You will surely not call me to order, Mr. Speaker, if I express this view and express the hope, as I did indirectly before one o'clock, that the Prime Minister will recognize this fact and exercise more authority and leadership in the conduct of this house and the presentation of government business. I am actually trying not only to be honest and sincere but to explain why I wish to bring in certain recommendations. Only on the basis of understanding the personality of the Prime Minister can I bring in what I wish to recommend. I am asking the Prime Minister if he will recognize the position in which we find ourselves—and I use the word "we" for the majority of members of this house who wish to get on with the people's business. The majority of members, having missed an Easter recess—if they did as I did, and stayed here—want a summer recess. But the Prime Minister has laid it down that there will not be a summer recess unless certain things are done and certain priorities dealt with. And the one factor which will hold up the recess is the flag issue.

Some hon. Members: Hear, hear.

Mr. Winch: I ask the Prime Minister again if he will not recognize that making this issue a priority matter to be decided while sitting additional hours, before a recess can be considered, proceeds from personal pride—it has to be done because he thinks he would otherwise lose something in the eyes of members of this house and the people of Canada.

When we discuss additional hours we also discuss the statement of the Prime Minister this morning as to the business. I am asking that the Prime Minister have the intestinal fortitude to state that public business comes before personal pride and decision and that the matter of the flag shall not be a deciding factor.

Mr. Speaker, I have to introduce it that way in order to come to my next point, namely that the Prime Minister cannot make that decision which I and, I think, other members request him to make, unless the official opposition will accept a sense of responsibility, decency, dignity and decorum in the House of Commons. Day after day and week after week during this session we have seen, not the getting on with the public business from the official opposition but the utilizing of par-

liament as a sounding board, hoping to get an election, in making campaign speeches in this house.

Mr. Horner (Acadia): What are you doing now?

Mr. Winch: I have run 11 times and I have been elected 11 times—and not one of you can make that statement.

Mr. Horner (Acadia): Are you boasting, or complaining?

Mr. Winch: My position is this. I ask the Prime Minister to give consideration—

Mr. Woolliams: This is humility at its greatest.

Mr. Winch: —to this proposal, that before a summer recess we shall deal with the business that affects the health, welfare, wealth and security of the people of Canada and postpone until after a recess, in the fall, a decision on the flag. I say we have not the right and I have not the right to ask the Prime Minister to consider this unless the leader of the official opposition and the Tories behind him will agree to it and will also agree not to throw out the continual challenge of "Retreat" and "Resign". In other words, Mr. Speaker, if the official opposition will accept responsibility along this line that I am proposing to the Prime Minister, I think there might be a basis of agreement, understanding, and a recess, I would hope, not later than the middle of August.

Some hon. Members: Oh, oh.

Mr. Winch: I say not later than the middle of August because if we are going to deal with student loans, family allowances, the Canada pension plan and those things that we should do before we leave here, this cannot be before the middle of August if it is done on a proper and efficient basis; whereas if the flag is to maintain its priority, if the official opposition are going to carry on, when that resolution is again before us, as they have in the past, there will be no recess whatsoever. So, Mr. Speaker, having given considerable thought to this question over the lunch hour I should like to try to consolidate my views in this way, which I offer for the consideration of Your Honour, the government and all members. I would like to ask for the consideration of the Prime Minister, the government, the leader of the official opposition and their supporters of the following five points:

1. That the present motion which we are now discussing stand, with the exception of a special amendment to grant employees in the House of Commons a holiday on July 1.

2. That the Prime Minister call a meeting of all party leaders and discuss government business, with the objective of reaching a unanimous or majority opinion.

3. That if the decision is not unanimous, with only one party abstaining from the agreement, the House of Commons be informed as to that party and their basis of disagreement.

An hon. Member: This is a new manifesto.

Mr. Winch: I just heard someone say this was a new manifesto, and by heavens I think it is a good one for the House of Commons to consider.

4. That the Prime Minister agree to drop the priority of the flag decision until the fall, and that if this is agreed to, the official opposition shall be asked not to practise political expediency by terming it a retreat or a call for a general election.

5. That every measure be taken to expedite the recommendations from the committee on house procedure relative to hours and method of conducting the House of Commons business and, if the same is stymied or stalemated in any way by any party representative at meetings, or refusal to attend, this should be immediately reported to the House of Commons and the House of Commons should be given the opportunity of voting upon, and thereby deciding, any majority report dealing with recommendations to expedite the business of the House of Commons whilst at the same time retaining a most reasonable opportunity for members to express their opinions as the elected representatives of their constituents.

An hon. Member: Amen.

Mr. Winch: My hon. friend says amen. I was waiting for somebody on my right to say hallelujah.

Mr. Nielsen: Hallelujah.

Mr. Winch: I say, Mr. Speaker, it will be amen and hallelujah if we in this House of Commons now, after the sittings we have held this session, can get down to carrying out the business of the people in a calm, efficient and proper manner. So. Mr. Speaker, I am now going to conclude—

Some hon. Members: Hear, hear.

Mr. Winch: I notice sir, that when I said I was going to conclude the applause came from those on my left, who apparently do not realize the importance of the matters

which I am trying to draw to the attention of this house. I conclude, Mr. Speaker, after having made a special appeal, through you, to the Prime Minister, to the leader of the official opposition and to all hon. members to get on with the business of the people. I think we can do this and can reach conclusions on these matters. There may be a possibility of a recess at the latter part of August if we will remember those most famous words—and I love them and am going to give them to the House of Commons—of Henry Ward Beecher—

An hon. Member: Who?

Mr. Winch: Mr. Speaker, I am being interrupted by some imbecilic remark from the left.

Some hon. Members: Shame.

Mr. Winch: May I ask all members of parliament to remember these words, in view of our discussion this morning and this afternoon on our procedures and what could forestall a recess. Henry Ward Beecher said this:

> A thoughtful mind sees not the flag alone but the nation itself—the principles, the truths, the history.

We should remind ourselves through you, Mr. Speaker, that if we can submerge pride, prejudice and political expediency and remember those words, then I say we will have been, and will be, worthy representatives of those who elected us and sent us to the House of Commons.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I see that the house leader is very anxious to close the debate, but I am not sure he will be able to answer some of the criticisms or the logic of the perfectly understandable complaints which have been made about the handling of business by the government. Certainly when we are considering whether we should sit longer hours some of the questions we should ask ourselves are: Is this the best and only way we can run the business? What is necessary that should be done? What is the urgent business? How can we streamline the way in which we work? I submit that all these are legitimate factors to consider when discussing this resolution.

I was much impressed with the calmness and logical approach of the hon. member for Cumberland (Mr. Coates). He has been rather vehement in his feelings on the flag issue, but I thought he gave an example to hon. members of calm and logical discussion. The speech of the hon. member for Danforth (Mr. Scott) was, I thought, a model of logic very forcefully presented. If the government will look at what the speech contains they will find some very unanswerable reasons why the government should proceed with the legislation most necessary to the economic well being of the nation rather than that piece of legislation which is a sop to the vanity of the government, the Prime Minister (Mr. Pearson) and some of the members on that side.

I think most of us in this house regret that co-operation among house leaders has broken down; but I for one in this party will state frankly that I have advised my house leader that I could not condone his taking part in any consultation so long as those consultations were not confidential as they were in the past. Since the hon. member for Winnipeg North Centre (Mr. Knowles) made it so plain that he refuses to recognize this confidentiality it is impossible to carry on worth-while discussions, and so long as he represents the New Democratic party I advised our house leader that he should not conduct what would only be farcical negotiations.

I remember the events just before Easter very well. I remember what the Prime Minister said had to be completed. He knew interim supply had to be passed and he wanted the supplementary estimates passed. We had made requests that essential matters be brought in and he continued to dilly-dally. At last the suggestion was made: "If you want an Easter holiday, pass this now". In other words, they waste the time of the house with non-essentials, bring forward the essentials just before a holiday, and say to the members of the house that the only way we can get a holiday is by abandoning business worth discussing and passing it without comment. I had thought that if there was one thing the government should have learned it was that in this house they cannot get away with using a club. Members of the house are a little weary. We would all like a summer recess. But I doubt, Mr. Speaker, you would find very many who are willing to abandon their duty to examine government measures and legislation closely and will knuckle under to this sort of blackmail by the Prime Minister. I think the tactics are deplorable.

I hope the press will analyse exactly what the Prime Minister has been doing.

Some hon. Members: Hear, hear.

Mr. Nugent: I am glad that that remark has been met with enthusiasm. Perhaps the press friendly to the Liberal party will now know

in advance that they will be forgiven if they are honest with the party for a change and paint it in its true colours. The Prime Minister has put himself in a position where, in response to questions in the house, he said he hoped that every hon. member interested in the flag would have a chance to speak. I am certain there is not one member in the house who cannot understand the duty of each hon. member on an issue like this. Each of us has to get up and express the view of the area he represents. Therefore it goes without saying that there will be a great many speeches on the flag.

Mr. Grégoire: Adoptée.

Mr. Nugent: We are almost 100 years from confederation and suddenly the Prime Minister brings in his pennant. This has to be passed and given top priority after nearly 100 years of confederation. This defies logic. I wonder whether we can look behind the government tactics—

[*Translation*]

Mr. Grégoire: Mr. Speaker, under the rules of the house, any motion similar to the one under consideration is debatable.

However, the rules state that members who take part in the debate must talk to the principle of the motion and not about various subjects unrelated to it.

I am convinced that at the present time groups of fanatics and extremists in this house take advantage of the debate on the motion under consideration to try to forestall the flag resolution forever. I maintain that this is not in accordance with the motion under study but that fanatics are taking advantage of it—

[*Text*]

Mr. Woolliams: This is no point of order.

Mr. Speaker: One at a time, please. The hon. member for Lapointe.

Mr. Woolliams: On a point of privilege, this is no point of order.

Mr. Speaker: The Chair will decide whether it is in order, but I propose to listen to it first.

[*Translation*]

Mr. Grégoire: Mr. Speaker, my point of order is consistent with the provisions of standing order 32, which lists the motions which are debatable. Besides, the same order states that those who take part in a debate of this kind must deal exclusively with the motion. What happens at the present time is that fanatics and the extremists take advantage of the debate on this motion to kill the resolution we were discussing earlier, namely the resolution concerning the adoption of a flag, and, in my opinion, this is against the rules.

[*Text*]

Mr. Speaker: Order, please. The debate ranged this morning quite far and wide, and consequently, although the hon. member was beginning to range far and wide, nevertheless in my opinion he was still in order. I hope hon. members will remember that we are discussing the motion before the house, and should if possible restrict their remarks to the question of the hours of sitting of the house.

Mr. Nugent: Mr. Speaker, we are considering the time of sitting and the extension of hours, and one of the moot questions is whether it is better to extend hours or to do the business of the house some other way. Is it a better way of doing things than passing this resolution; and I submit I did stick to that point. After that intervention by the hon. member for Lapointe the house can see the point I was making about the flag and its urgency now. After 100 years of confederation why does it have to be passed all of a sudden before a summer recess while at the same time so many important matters must of necessity be delayed? I suggest that the only reason the flag issue is regarded by the government with that much urgency is that there is that much pressure on the government from what I will call the lunatic fringe of politics in Canada today—

Some hon. Members: Oh, oh.

Mr. Nugent: —whose viewpoint is expressed so very well by the hon. member for Lapointe. I think it is clear that the order of business in the house is being arranged to make a good show, to make political propaganda and not to take care of business of the house that is important to the nation. I cannot understand how the government can pretend that they are anxious to bring in pension legislation and not give it priority over the flag debate. I cannot understand how they have the effrontery to say to the people of Canada that they are trying to do the business of the country and yet do it in this manner.

I submit that the Prime Minister has neglected to look very closely at this matter. If he will look at his answers to questions in the house with regard to the flag debate and the urgency of other matters, if he will

reflect for one moment on the amount of time that must of necessity be taken by speeches on the flag, if he will reflect on how important the flag issue is, and that it is necessary for the country to have lots of time to consider the matter so that unanimity may perhaps be achieved throughout the nation in fact before the issue is disposed of, he will realize why it should not take precedence over other legislation.

I am perfectly willing to go along with longer hours of sitting, I am perfectly willing to sit all summer if we must, but I submit that no member of the house is going to be happy sitting longer hours all summer if the government refuses to bring the business of the country before the house in a sensible manner.

[*Translation*]

Mr. Jean Berger (Montmagny-L'Islet): Mr. Speaker, I should like to say at the outset that the few remarks I am about to make are not intended to waste the time of the house, even though that seems to have become rather current practice recently. Nevertheless, with all due respect to the Chair, I should like to express as objectively as possible the views of a newcomer, of a backbencher, on the motion under consideration.

Members on both sides of the house often say that backbenchers are not always free to speak as they please in various circumstances. That is what I should like to do this afternoon as briefly as possible and without any partisanship.

We are now facing a problem and I regret, like everybody else, that we are not expediting the business of the house as we would like to. We are trying to find adequate means of presenting, at last, to the Canadian people the sound legislation to which they are entitled. I strongly support that policy.

However, we are told that backbenchers should, according to what has been the practice for a relatively long time, rather sit tight and listen to veterans in the house in order to learn a few things about procedure and that they should rely on the veterans' parliamentary experience. I was quite willing to do just that until today. I tried to learn as much as I could but I would like to forget as quickly as possible what I have unfortunately learned in the past few days.

When this so-called experience of the veterans of this house boils down to knowing how to meander around artfully and craftily in parliamentary procedure and politics which go back to the middle ages, I say it is high time we should find a cure.

Is it conceivable, Mr. Speaker, that, right in the middle of this twentieth century, where we have even gone beyond the atomic age, we should still have to rely on a parliamentary system which almost dates back to the time of the caveman? That is something which a backbencher finds hard to understand.

In my opinion, those self-styled veterans of the art of politics, who too often speak with their eyes turned towards the press gallery, so they can see their names in the newspapers the next day or in order to prove how expert they are in parliamentary procedure or else pursue their morbid ambitions, those people should refrain a bit from speaking often.

I think that the only practical advice we can give at this time, Mr. Speaker, is that, while we support the measure which is now before us, although, in my opinion, it does not go far enough, we recommend by common consent to the special parliamentary committee set up to that effect to get to work without delay.

The members of that committee should work 24 hours a day not to amend drastically but to redraft completely the archaic rules of the House of Commons, which often prevent us from going ahead.

With today's political experts, we have to use all kinds of manoeuvres and tactics and we are obliged, in this 20th century, to govern ourselves, to call on citations from Bourinot and Beauchesne, to go back to 1816, 1600, 1500 or even before Christ.

Mr. Speaker, to begin with, we should insist so as to give ourselves a legislation allowing the backbenchers as well as the front benchers and all the members without exception, the right to speak freely, with much clearer and fewer old-fashioned rules. Then we could go forward and submit legislation, discussing and approving it in the best interests of the Canadian people.

In conclusion I will say, Mr. Speaker, that if we, the backbenchers do not have the political maturity which seems to be so greatly appreciated at times, and rightly so, among the old timers on the political scene who sit in this chamber, we, the backbenchers of the House of Commons can offer, if not trickery and astuteness, at least honesty, frankness, sincerity and the will to work.

That is why, as far as I am concerned, I have already given up the holidays I was anticipating and I am prepared to keep on

working steadily, provided we stop these empty discussions and take the necessary steps so that the house can abandon obsolete rules and start passing legislation in a more modern way.

Mr. Grégoire: That will be published in *Le Soleil.*

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, when, some time ago, I mean this morning, on orders of the day, I introduced the motion now under discussion, I did so with some satisfaction. Indeed, we have often discussed some of the difficulties which may have existed, when house leaders have to meet, sometimes twice instead of once, and hold double meetings; but finally, we have succeeded, with the co-operation, I must admit, of all house leaders, whom I thought were speaking on behalf of their party, to reach an agreement on this motion. What I mean, and I think it is important that the house should know it, is that during our discussion, no mention was ever made—and I know all house leaders will bear me out—of reservations to the passing of this motion by the house.

The only discussions held dealt with the extended hours of sitting, and not with the conditions to impose on the motion.

We suggested at first, and I admit it might not have been the best procedure, that the house should sit on Friday evening, from 8 p.m. to 10 p.m.

The opposition suggested that it would be much better, instead of sitting in the evening, to extend our discussions during the lunch hour. I immediately complied with this request.

Another discussion was held to know whether the house would sit on July 1. We have agreed that the house would celebrate Canada day and that we would not sit on July 1.

I am therefore the first to be surprised at the discussion which took place today.

I hope that each party, trusting his house leader and confirming his word given in good faith, will now pass this motion.

I wish to add this, for the satisfaction of hon. members and to reassure those who were reluctant and who voiced their doubts about the progress of our work. I want to tell the house that on Monday, the right hon. Prime Minister asked me to convene a gathering, or a meeting, of all the house leaders, during which I was to communicate to them the final priority list with regard to bills or other measures which the government intends to introduce before the end of July. We are to suggest an order of distribution of the hours and days of sittings to allow discussion on all and each of those items, according to their respective importance and the time which each discussion should take.

When we speak of "allocation of time", i.e. the distribution of hours and days of sittings in the house, in order more particularly to discuss one piece of legislation, I think that we should make it clear that this is quite the opposite of the rule of closure.

The allocation or distribution of time to discuss some legislation is agreed upon by all parties in the house; it is opposite of closure, Mr. Speaker.

In this way, each party, considering the kind of legislation or measure to be discussed, would be able to choose among its members those who are particular conversant with the kind of legislation which is to be discussed at a given time or on a given day.

I therefore want to make it clear that this action is essentially connected with full and complete freedom for each party, which is quite the opposite to closure.

I also want to say to hon. members that the right hon. Prime Minister—if the first meeting unfortunately should fail to give definite result—proposes to convene the leaders of all parties in the house to start the procedure all over again and try to come to some conclusion which would help end or close the discussion of priority legislation before the end of July.

I could hardly, when asking the right hon. Leader of the Opposition—and this is a quite respectful, though very firm suggestion I am making—insist too much upon the necessity for him to see that, at the meeting of the house leaders next Monday, his party be definitely represented by someone with full authority, so that we may get on with the normal business of the house.

[*Text*]

Mr. Speaker: Is it the pleasure of the house to adopt the said motion?

Motion agreed to.

Mr. Speaker: Is it the understanding of hon. members that the motion standing in the name of the Minister of Justice on the order paper be withdrawn?

Some hon. Members: Agreed.

LABOUR RELATIONS

BRITISH COLUMBIA—ACTION OF OFFICIALS OF S.I.U.

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Yesterday I asked a question regarding the situation in British Columbia, with particular reference to the S.I.U., which is recorded at page 4697 of *Hansard*. If I may be allowed—

Mr. Speaker: Order, please.

Mr. Diefenbaker: —I should like to amplify it so the Prime Minister will be in a position to give an answer. I should like to point out this fact, that the ship in question, the T.S.S. *Alaska* was compelled, when it left Florida, to take on an S.I.U. crew and give Paul Hall of the S.I.U. a letter of intent to negotiate with the S.I.U. in the hiring of masters, mates and engineers when the ship reached Vancouver. The result of this is, when an agreement was entered into as between these various groups, the masters, mates and engineers in Vancouver, Paul Hall threatened the owners of this particular ship.

My information is that he advised them that if they had other than S.I.U. workers within these classifications there would be—well, I don't know what the expression is—they would find themselves "hard-timed". I should like to know from the Prime Minister whether this complaint has been looked into since the questions were asked, and particularly whether the agreement made between the owners of the ship before it arrived in Vancouver and the S.I.U. was entered into with the knowledge and consent of the maritime trustees.

Furthermore, I should like to know whether as a result of what the Prime Minister has ascertained the S.I.U. has tried to affect the maritime trustees, or in what the S.I.U. has done has it been acting with the approval of these trustees?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, when this matter was brought up yesterday, and I appreciate the importance and urgency of it, I said that the Acting Minister of Labour and I would look into the matter at once. We have done so. I secured a statement on the facts of the situation which does not coincide in every respect with the facts put forward by the right hon. gentleman, but I make no complaint about that. Particularly, we have been informed that allegations made against Mr. Paul Hall have been denied by him.

But, Mr. Speaker, there is no doubt that this is a serious matter, perhaps even more serious in some of the implications that could arise out of it. The officers of the Department of Labour have been on the west coast trying to adjust this situation in a manner which would be equitable and the board of trustees have also—they have jurisdiction over this matter—been on the west coast. They are there now. The chairman of the board was on the west coast a few days ago and has remained there.

Only a few minutes ago I received a telegram, at least it was to the Department of Labour, concerning the negotiations that are taking place, and they are still going on, from the representative of the board of trustees. This telegram reads as follows:

> I have met with the parties to the dispute and feel hopeful that a settlement will be reached. The parties are presently considering a proposal of settlement.

I hope that this settlement will be reached today or tomorrow. At the moment, I cannot add anything to what I have already said.

Mr. Diefenbaker: I should like to ask one supplementary question. The Prime Minister said some of the implications of what I have stated differed from the information he has secured. I secured this information from the same source as the hon. member for Burnaby-Coquitlam did.

Will the Prime Minister answer this one question? Did Hall in any way, by the direction that he gave and the arrangements made as to personnel on this ship while it was still in Florida, endeavour to avoid the jurisdiction of the maritime trustees and push in the S.I.U. as the negotiating body, contrary to what had been the case throughout the years with regard to the three particular classifications I have mentioned?

Mr. Pearson: Mr. Speaker, that has not been so stated in the information I have received but I will take up that specific question with the representatives of the maritime unions, the board of trustees, who are now in Vancouver, and endeavour to obtain a specific answer to that specific question.

Mr. T. C. Douglas (Burnaby-Coquitlam): As a supplementary question, might I ask the Prime Minister whether it is true that the S.I.U. brought engineers from Montreal out to Vancouver to replace some of the engineers who were on the T.S.S. *Alaska* as

a result of Mr. Paul Hall's insistence that all the licensed personnel, who usually have been handled by the maritime engineers local, should now be turned over to the S.I.U.?

Mr. Pearson: The information I have is that the vessel in question, which was formerly operated in southeast United States waters and belongs to the Alaska Trainship Corporation, and which it is hoped by the owners will operate between New Westminster and Alaska, was manned by the S.I.U. for unlicensed personnel and by the marine engineers beneficial association, for marine engineers, a union which does not operate in Canada and has no Canadian membership.

I am informed that when the vessel reached British Columbia to commence operations, its unlicensed personnel were represented by the seafarers international union; four of the vessel's engineer officers were represented by the M.E.B.A., and two marine engineer officers were apparently imported from eastern Canada to work on the vessel. The deck officers were represented by the licensed division of the S.I.U.

Mr. Douglas: As a further supplementary question, is the newspaper report correct that the maritime union trustees ordered the local marine engineers and the local longshoremen not to picket the *Alaska* while it was in New Westminster and, if so, what possible reason could they have had for preventing the local union from enforcing a right it has always had in that area?

Mr. Pearson: Well, Mr. Speaker, I do not know whether I can give my hon. friend all the information he would desire on that point, but I would be glad to add to what I have already given, in the light of his particular question. I am informed that the international longshoremen's and warehousemen's union is claiming the right to secure the box cars on this ship. It is said that the teamsters union, which represents employees of the company which performs the operation of putting railway cars on board the ship, does not question the jurisdiction of the longshoremen's union over this work, but it is also said that the employer concerned objects to the work being done by the I.L.W.U.

Various injunctions have been issued against picketing on the west coast but these injunctions have been circumvented by other pickets. I may add that I will try to get more information on this.

[Mr. Douglas.]

Mr. Harold E. Winch (Vancouver East): As a supplementary question—and may I say this concerns my own constituency in Vancouver and I am glad to have the opportunity of asking a question—would it be possible to find out whether the Department of Labour received any telegrams from either the B.C. federation of labour or the Vancouver labour council, and would it be possible to have produced copies of telegrams which either of these bodies sent to the maritime trustees, relative to the S.S. *Alaska*?

Mr. Pearson: We will do our best to get those telegrams at once.

[*Later:*]

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I would like to go back to the subject matter raised by the Leader of the Opposition in connection with the Vancouver situation. I understand the Prime Minister is going to look into the matter and give a report to the house on Monday. Would he include in the subjects he looks into, the activities of one Norm Cunningham to see whether he has any part in this whole operation, whether he is an employee of Northland Shipping, and what connection he has with the S.I.U.? This would be very vital in the information which the Prime Minister might supply us with. Finally, would the Prime Minister consider seriously the question of sending somebody from Ottawa with power to call all those together who are concerned with this matter, not only the shipping companies, but all the labour unions concerned, to try and get their suggestions on how to meet this situation rather than just leave it as an isolated matter between labour and management?

Mr. Pearson: I will be glad to try to get information on those specific points. On the second point, I would draw to the attention of the house the fact that officials from the Department of Labour are already out there negotiating with those concerned, as well as members of the board of trustees, and I suggest we wait till we see what results from those negotiations before we decide that anything else is needed.

Mr. Diefenbaker: Is it not a fact that under the terms of the maritime trusteeship no union can enter into an agreement with ship owners without the approval of the maritime trustees? This being so, I should like to ask the minister to say whether the trustees have approved of the agreement between the S.I.U. and the owner giving the S.I.U. the right to negotiate.

Mr. Pearson: I would be glad to look into that. I have not seen the terms of the alleged agreement. When I have had the chance to examine them I will be glad to follow up the latter part of the question.

Mr. Diefenbaker: Will the Prime Minister say whether Mr. Hall has had it made perfectly clear to him by the Department of Labour and by the trustees that his cavalier interference in this Canadian dispute is not going to be tolerated?

Mr. Pearson: Of course that interference, if it has taken place, should not be tolerated. I would point out, however, that the government has, I believe, received a statement to the effect that Mr. Hall has denied the allegations made. These allegations are being investigated by officials of the government.

Mr. Diefenbaker: Labour unions in Vancouver say otherwise.

EXTERNAL AFFAIRS

MALAYSIA—REQUEST FOR STATEMENT ON RECENT DEVELOPMENTS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Yesterday during his absence I asked the Prime Minister about the situation that has developed in the Far East between Indonesia and Malaysia as a result of the breakdown in discussions between the leaders of the two countries. My question is twofold. Does the minister have any word about recent developments today and, second, was the question of Indonesia and Malaysia discussed yesterday at the meeting of the international defence committee?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the matter was not discussed in Washington yesterday. I regret to say that the situation has deteriorated, but at this particular moment I do not believe it is desirable to say anything further except that we are deeply concerned about this development in so far as it concerns a commonwealth country. I can simply repeat what the Prime Minister said yesterday. We expect a visit from the Prime Minister of Malaysia after the commonwealth prime ministers' conference in London. Prior to that when in London the Prime Minister may be conferring with him about this and other matters.

Inquiries of the Ministry

VIET NAM—DISCUSSIONS WITH UNITED STATES SENATOR

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I have a brief question to direct to the Secretary of State for External Affairs. In view of the almost daily denunciation by Senator Wayne Morse of United States military activity in Viet Nam, did the hon. gentleman take advantage of his visit to Washington to discuss this situation with this very experienced senator?

Hon. Paul Martin (Secretary of State for External Affairs): I have great respect for the senator whom the hon. gentleman mentioned. However yesterday I was discussing Viet Nam with members of the government of the United States, and without making any invidious comparisons, I am sure the house will agree that this was the proper source from which to get information on this subject.

SOUTHEAST ASIA—CANADIAN MILITARY COMMITMENTS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I would like to ask the Secretary of State for External Affairs a question. It arises out of the statement earlier today in connection with Canada's degree of involvement in the situation in southeast Asia. My question is this: Am I correct in assuming from the minister's statement that Canada has no military commitments in southeast Asia?

Hon. Paul Martin (Secretary of State for External Affairs): That is what I endeavoured to say this morning, Mr. Speaker.

CYPRUS—POSSIBLE INCREASE IN CANADIAN FORCE

[*Translation*]

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I would like to direct a question to the Minister of National Defence.

Is it true that he and his department are considering the necessity of increasing the number of Canadian servicemen on Cyprus at the present time, due to the withdrawal of 500 British troops?

[*Text*]

Hon. Paul Hellyer (Minister of National Defence): No, Mr. Speaker, there is no connection whatsoever. I have said that govern-

ment policy was not to increase the Canadian participation there, subject to the reservation of minor adjustments for military purposes only within the area to which we are already assigned.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I would like to direct a supplementary question to the minister. Canada has received a request to increase its armed forces to make up for the withdrawal of the British troops. Has that request been passed on to the minister by UN authorities?

[*Text*]

Mr. Hellyer: To answer the question, Mr. Speaker, may I say that no such request has been received.

NEGOTIATIONS RESPECTING 12 MILE FISHING LIMIT

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Secretary of State for External Affairs arising out of his visit to Washington and his statement to the house at the opening of today's sitting which I may say seems to be quite a while ago. I am wondering whether, while the minister was in Washington, he was able to tidy up the matters which he has indicated have been outstanding between Canada and the United States in respect to the proposal to extend our fishing zones and our territorial seas.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, that matter was in my mind but there was no time to deal with it; nor had I intended to do so when I went to Washington.

Mr. Barnett: Could the minister give us some indication as to when he expects these discussions to conclude?

Mr. Martin (Essex East): Mr. Speaker, I would think some time might elapse before we would reopen the negotiations; no date has been set.

Mr. Barnett: Mr. Speaker, that was not my question. I asked, not when the negotiations would reopen; I assumed they were going on. I asked the minister how soon he thought they would be finished.

Mr. Martin (Essex East): I would not like to draw any conclusions which I am not in a position to draw.

FORESTRY

NOVA SCOTIA—CONTINUATION OF IMPROVEMENT PROGRAM

On the orders of the day:

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, in answer to a question asked on June 22 by the hon. member for Cape Breton North and Victoria (Mr. Muir) I am pleased to inform the house that an agreement between the government of Canada and the province of Nova Scotia on forest stand improvement was approved yesterday, June 25. This agreement covers various forms of operation designed to improve the forests while providing employment for Cape Breton miners.

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I wish to thank the minister very much for his kind reply. It is a little delayed but we appreciate it at this time.

AGRICULTURE

REQUEST FOR SUBSIDY ON MAPLE SYRUP

On the orders of the day:

[*Translation*]

Mr. Pierre-André Boutin (Dorchester): Mr. Speaker, I wish to direct my question to the Minister of Agriculture, but in his absence, I shall direct it to the minister of rural development who is, in a way, the minister of agriculture for the province of Quebec.

Could the minister tell us whether his department has considered granting a substantial subsidy, by way of compensation, to maple syrup producers of the province of Quebec who suffered a very heavy loss of income owing to a complete crop failure?

[*Text*]

Mr. Speaker: Would the hon. member put this on the order paper.

TELEVISION

FILM ON PRIME MINISTER—OFFER BY INDEPENDENT NETWORK

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I would like to ask a question of the Secretary of State arising out of his statement of yesterday. I ask whether the independent television organization who produce programs for private stations, the C.T.U., have offered the C.B.C. $30,000 for the famous film "Mr. Pearson"?

Hon. Maurice Lamontagne (Secretary of State): Not to my knowledge, Mr. Speaker, but I will make inquiries and answer on Monday.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to ask a supplementary that arises out of the fact that Mr. Ouimet has wired Mr. Griffiths that the C.B.C. would not sell the film. Would the minister ask the C.B.C. to provide us with the explanation as to why the C.B.C. is not prepared to give someone else the opportunity to show this film which does not meet the C.B.C.'s very high standards?

Mr. Lamontagne: I will, Mr. Speaker.

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO RESIGNATIONS FROM PUBLIC AFFAIRS STAFF

On the orders of the day:

Mr. Erik Nielsen (Yukon): Is the Secretary of State prepared now to answer the question he undertook to answer, the question I asked him yesterday?

Hon. Maurice Lamontagne (Secretary of State): Yes, Mr. Speaker. The answer is in the negative.

Mr. Nielsen: As a further supplementary question, is the Secretary of State aware, now that he has received explanations from the C.B.C. management, whether any personnel in public affairs tendered their resignations to the management?

Mr. Lamontagne: I have received this information, the information I just gave the hon. member, this morning, and I have not been in communication with the C.B.C. since, but I will communicate with the C.B.C. and if an answer is needed I will give it on Monday.

POST OFFICE DEPARTMENT

THETFORD MINES, QUE.—CONTRACT AWARDED TO HIGHER TENDER

On the orders of the day:

Mr. Raymond Langlois (Mégantic): I have a question for the Postmaster General and in his absence I will direct it to the acting minister or to his parliamentary secretary. I may say I had intended placing this question on the order paper, Mr. Speaker, but since this is a matter of urgency—the contract to which it refers expires on June 30—there will not be time to do so and receive an answer before that date.

Inquiries of the Ministry

Could the house be told why, on the renewal of a postal delivery contract on July 1, 1964, for the city of Thetford Mines, Quebec, the contract had been extended to the highest bidder at nine cents per article for a period of four years when there was a tender at eight and three quarter cents per article by people who could do the job efficiently and at a saving to the taxpayers?

[*Translation*]

Mr. Alexis Caron (Parliamentary Secretary to Postmaster General): Mr. Speaker, I shall submit this question to the Postmaster General as soon as he returns.

Mr. Caouette: Before June 30?

Mr. Langlois: Mr. Speaker, I wish to ask a supplementary question to the parliamentary secretary to the minister. May I have the assurance that this question will be carefully considered before June 30?

Mr. Caron: Mr. Speaker, I do not know exactly when the Postmaster General will return; I think he will return only on July 1, and I am unable to submit the question to him in the meantime.

Mr. Langlois: Mr. Speaker, is the parliamentary secretary in a position to tell whether it is customary with the Post Office Department to award contracts without tender?

Mr. Caron: Mr. Speaker, this is a question I should submit to the Postmaster General.

[*Text*]

FINANCE

TARIFF CONCESSIONS TO FOREIGN AUTOMOBILE MANUFACTURERS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to ask the Minister of Industry a question of which I gave him notice. Is he able to tell the house whether he got in touch with Mr. Gérard Lévesque, minister of industry in the province of Quebec, to inform him that Ottawa is prepared to grant tariff concessions to the Peugeot and Renault automobile manufacturers, in order to induce them to come and open plants in the province of Quebec?

[*Text*]

Hon. C. M. Drury (Minister of Industry): Yesterday the Leader of the Opposition asked questions along similar lines. I am informed that the government of Quebec is engaged in

an endeavour to establish in that province a facility to manufacture motor cars of a type not now made in Canada. This calls for extensive and delicate negotiations with the firms which have designed the cars in question—negotiations to which the government of Canada is not, and has not, been a party.

I would invoke the co-operation of members of the house in not seeking detailed information regarding these negotiations, in the interest of not prejudicing the chance of Canada's acquiring a new manufacturing industry.

In response to the specific queries raised, may I say that the government of Canada has communicated in general terms with the minister of industry and commerce of the province of Quebec concerning the possible manufacture in Canada of European-type cars. Representatives of the government of Quebec yesterday had exploratory discussions with officials of the departments of finance and industry looking to the setting up in Canada of facilities for manufacturing cars of French design.

The Leader of the Opposition also asked: "Is it a fact that officials of the firms in Quebec have been meeting with federal officials within recent weeks?" I would point out that the government of Quebec intends and hopes that the firm which will be manufacturing cars in Canada will be a Canadian controlled firm and will not be a subsidiary of foreign motorcar manufacturers. As a consequence, the negotiations with the federal government will be carried out by or on behalf of the government of Quebec, and not with us, by the foreign motorcar manufacturers.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Has there been any communication between the officials of the firms and federal officials?

Mr. Drury: Up until yesterday there had been no negotiations between officials of the federal government and representatives of these firms. It is expected that in the negotiations at some point officials of the firms would become involved, because of their technical competence and knowledge. But I would emphasize again that the discussions and negotiations as far as the federal government is concerned are being carried on between the government of Quebec or its representatives and the federal government, not between the government of Canada and the French companies or firms.

The Leader of the Opposition also asked whether the ambassador of France had been in consultation with officials of the Department of Industry or the Department of Finance on this matter. The reply to that question is that the ambassador of France did pay a visit to the Department of Finance to make some inquiries regarding tariff rules and regulations which might be applicable to the import of cars into this country. It was not the purpose of the ambassador, I am informed, to negotiate on this particular occasion, but merely to seek information.

The Leader of the Opposition also asked what was the policy of the government in relation to this transaction. I think the policy of the government has been fairly clearly enunciated. It is to foster the healthy economic growth of manufacturing industry in Canada. To this end the federal government is prepared to do, and will do, all it appropriately can to bring to Canada these additional manufacturing facilities.

Mr. Diefenbaker: I thank the minister for his reply and ask him whether or not there have been meetings between federal officials and officials of the firms concerned. That question has not been answered. The house was told there had been no negotiations between them. I should also like to ask the minister whether there is any foundation for information given today by the Canadian Press, quoting informed sources in Ottawa, that the federal government is prepared to offer the same concessions as given to Volvo, the Swedish firm which set up an assembling plant at Dartmouth. Is that so; or who are these informed sources?

Mr. Drury: Mr. Speaker, there have been no negotiations and no meetings, to the best of my knowledge, between representatives of Peugeot and Renault and officials of the federal government. In so far as who might be the informed sources, I regret to say that I do not know. I would hope that, as the federal government is now in the process of discussing with the provincial government what might be a basis for the entry into Canada of this new manufacturing operation, the Leader of the Opposition would not press the government to disclose its hand prior to and during the course of the negotiations.

Mr. Diefenbaker: Mr. Speaker, I would not press the government to give any more information than it gives to the press. Is it a fact that the minister sent a letter to Gérard Lévesque, minister of industry and commerce of the province of Quebec, setting forth the tariff concessions the federal government is prepared to make in the case of the French

automobile manufacturers Peugeot and Renault? I am not asking what the concessions are to be, but was such a letter, giving the concessions that the government of Canada is prepared to make, sent to the Quebec minister?

Mr. Drury: Mr. Speaker, I am glad that the Leader of the Opposition would not want to press for details as to what might be offered. It is correct, as I stated earlier, that a letter was sent outlining in general terms the willingness of the government of Canada to assist, through appropriate tariff concessions, the establishment of this new industry in Canada. I again repeat that I am very glad the Leader of the Opposition would not want to press for details now as to what those concessions might be.

Mr. Diefenbaker: That still leaves one thing unanswered. Did the letter to Mr. Lévesque set out what the concessions would be and those that would be acceptable to the government of Canada? The minister seems very carefully to avoid that question. I am not asking for the particulars; I am just asking, does the letter disclose that?

Mr. Drury: In detail, no, Mr. Speaker; in general terms, yes.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Well, it does not give the number of automobiles.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I should like to direct a supplementary question to the Minister of Industry and Minister of Defence Production. He admits that his letter to hon. Mr. Lévesque, of the province of Quebec contains no details but merely expresses in general terms the tariff concessions which would be granted to any French automobile company which would open a plant in Canada.

Is the minister giving serious consideration to the possibility of subsidizing the establishment in Canada of a strictly Canadian company which would produce typically Canadian automobiles?

Mr. Drury: Mr. Speaker, as I stated a moment ago, that company would be strictly Canadian, would produce in Canada and and would be controlled by Canadians.

Mr. Pigeon: A supplementary question, Mr. Speaker.

[*Text*]

Is the minister ready to produce the letter he sent to hon. Mr. Lévesque concerning these industries?

Mr. Drury: Mr. Speaker, I do not think the hon. member would really want to push that question. In the first place, I think the leader of his party has agreed that it would not be helpful, in the purpose we are all seeking to achieve, to have at this point a premature disclosure of the negotiations or even the basis of negotiations.

[*Translation*]

Mr. Pigeon: Mr. Speaker, as a supplementary question, I should like to ask the Minister of Industry whether he has been in touch, directly or indirectly, with automobile manufacturers Peugeot and Renault, with regard to tariff concessions and other related problems?

Mr. Drury: Mr. Speaker, as I said earlier, I have not been in touch with automobile manufacturers Peugeot and Renault.

Mr. Pigeon: And what about the French ambassador to Canada?

[*Text*]

Mr. Speaker: Order, please. The hon. member for Timiskaming.

SILVER DOLLARS—REQUEST FOR INCREASE IN SUPPLY

On the orders of the day:

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask the parliamentary secretary to the Minister of Finance what action the government is taking to alleviate the current shortage of silver dollars, and is this matter going to be resolved so that Canadians can obtain these souvenirs?

Mr. Speaker: Surely this is a question for the order paper.

TRADE

FLOUR—EFFECT OF CHANGE IN WHEAT PRICE

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to ask the Minister of Trade and Commerce a question. Is the government contemplating any action to compensate for the unfavourable competitive position of our flour milling industry due to the change in the price of wheat announced by the Canadian wheat board the day before yesterday?

Inquiries of the Ministry

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, my understanding of the change that was made by the wheat board is that it does not in fact unfavourably affect the competitive position of Canadian flour.

Mr. Olson: I wonder whether the minister would give an undertaking to get an explanation of this for the house, because we were told that the price was raised 6⅞ cents per bushel.

Mr. Sharp: Mr. Speaker, when I answered this question yesterday I was careful to say that I would bring this to the attention of the wheat board to see whether the wheat board would feel it was in the interests of western farmers to have an explanation. This has now been brought to the attention of the Canadian wheat board, and I shall be governed by their advice in the answer that I give to the question, because I understand that there are certain competitive factors that you do not give away to your competitors.

Mr. Olson: A supplementary question, Mr. Speaker. Are there to be further discussions with the United States officials to reconsider their flour export subsidies?

Mr. Sharp: Mr. Speaker, the hon. gentleman is now getting into exactly the sort of line of questioning that I very strongly advise him against.

SHIPPING

EFFECT OF LOW WATER LEVEL IN GEORGIAN BAY AND LAKE HURON

On the orders of the day:

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, yesterday the hon. member for Bruce (Mr. Loney) asked me a question with respect to a letter received from the Georgian bay development association dated June 16. I might say to him that a letter has been prepared for the minister's signature in reply. The hon. member put a supplementary question in which he alleged that the Prime Minister had received a letter from the same association dated April 28 which was unanswered as of June 16. I took the trouble to check with the Prime Minister's office and can inform the house that the letter was acknowledged on May 7 by the Prime Minister's office, and was acknowledged personally by the Prime Minister in a subsequent letter of May 13.

[Mr. Olson.]

DOMINION-PROVINCIAL RELATIONS

STUDY OF EFFECT ON CANADA OF SEPARATION OF QUEBEC

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, a few weeks ago I asked the Prime Minister whether he would consider a study being made of the economic, social and political effects on the rest of Canada of separation, in view of the need for clarification of this subject. At that time he indicated that he would have hoped to give consideration to such a proposal. I am wondering whether he has given it consideration and whether the government has reached any decision on the matter.

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, we have been considering the matter. It is not a subject which lends itself to easy investigation and dogmatic conclusions, but officials of the government are making that kind of investigation now.

Mr. Scott: A supplementary question. I know it is hard to decide when this study would be available, but can the Prime Minister give us any indication of the likely length of time which would be involved?

Mr. Pearson: I should think it would not be possible to produce any results which would have any real significance in a matter of this kind before the autumn.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, this is a most interesting situation. The government of Canada has civil servants giving consideration to the effects of separatism, or the separation of our country. Would he let the house in on the secret as to what is the nature of the authority for this? What are these people supposed to investigate? This is a most unusual thing, for the government of Canada to engage in such a procedure.

Mr. Pearson: Mr. Speaker, if it were unusual then it is surprising that the right hon. gentleman did not rise to express his surprise when the matter came up two or three weeks ago.

Mr. Diefenbaker: I thought the answer you gave then was ridiculous.

Mr. Pearson: Now the right hon. gentleman is quite disturbed about this. What is being undertaken is an economic investigation of the interrelation between Quebec and the rest of the country, which is surely a very proper subject for an economic investigation.

Mr. Diefenbaker: That was not the answer given to the hon. member who asked the question. The answer given was that a study was being made of the problems arising out of separation, as I recall it. The Prime Minister says he is surprised that I am concerned about this. I am concerned that the government would be considering a proposal like that.

Mr. Pearson: I am very surprised that the right hon. gentleman tried to draw political conclusions from this.

Mr. Diefenbaker: No, but this is the most surprising thing I have ever heard.

[*Later:*]

Mr. Nicholas Mandziuk (Marquette): A supplementary question to the Prime Minister arising out of the question asked about the study being carried on of the effects of separation. My question is whether or not the Prime Minister and his government could utilize the results of the studies now being carried on by Premier Lesage, who has established a bipartisan committee to study that very question, instead of our federal civil servants using their time on the matter.

Mr. Speaker: I am not at all sure that this is a question. It seems to me more of a statement.

Mr. Mandziuk: On a point of order, I am asking whether the federal government could make use of the studies which are now being carried on.

Mr. Speaker: I did hear the hon. member but that is his opinion.

HOUSING

REQUEST FOR EXTENSION OF CONSTRUCTION BONUS

On the orders of the day:

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Minister of Labour, but in his absence, I will put it to the Prime Minister.

Since the Montreal house builders association suggests that the high level of unemployment during the summer months can be assigned to the $500 bonus paid for the construction of houses in the winter, would the Prime Minister or his government consider the possibility of extending the payment of this $500 bonus to houses built during the summer.

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think the Minister of Labour replied to that question the other day.

DOMINION-PROVINCIAL RELATIONS

QUEBEC—AGREEMENT RESPECTING STUDENT LOANS AND FAMILY ALLOWANCES

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

Could he tell us whether an agreement has been concluded between the federal government and the government of the province of Quebec with regard to student loans and the extension of family allowances?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the family allowance resolution is on the order paper and agreement has been reached with all the provinces concerning it. The student loan question, which I hope will very shortly be on the order paper, will be brought forward after agreement with all the provinces, including Quebec.

Mr. Reid Scott (Danforth): A supplementary question. Can the Prime Minister tell us whether agreement has been reached with all the provinces except Quebec, or can he tell us with how many provinces he has reached agreement.

Mr. Pearson: No. There are one or two provinces which are anxious to have further information in this latter matter regarding some of the details of the administration of the scheme, but we hope this will all be cleared up within a few days.

SUPPLY

INTERIM SUPPLY

The house resumed, from Thursday, June 25, consideration in committee of the following resolution—Mr. McIlraith—Mr. Lamoureux in the chair:

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a, (schedule C), of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

Mr. Douglas: Mr. Chairman, the President of the Privy Council is going to give us some information with respect to the secretaries in ministers' offices outside the Ottawa-Hull area. I think he said yesterday that there were 15 full-time persons and one part-time person located outside Ottawa. I asked him last night to tell us where they are located and in how many instances they are located in the actual constituency of the minister in question.

Mr. McIlraith: I would be very glad to give that information, Mr. Chairman. Hon. members will appreciate that so far as the President of the Privy Council is concerned his whole department is located in Ottawa, and all his staff is located in his own constitutency. Therefore I will interpret the remarks as being related only to staff outside the immediate Ottawa-Hull area. There is some uncertainty in my mind as to which constituency the Vancouver office is in, so if I just give the Vancouver city office perhaps that will be sufficient, because I was not able to verify the physical location of the building within the constituency. Subject to that reservation and my remarks yesterday about Mr. Côté, the following is what I deem to be an accurate and precise list.

The Minister of Citizenship and Immigration, in the public immigration building at Quebec city, one employee; the Minister of Fisheries at Bathurst in a private place, not a public building, one employee.

Mr. Douglas: Where?

Mr. McIlraith: Bathurst, New Brunswick.

Mr. Douglas: Is that in the minister's constituency?

Mr. McIlraith: It is either in or very close to it. I will get the information for the hon. member.

Mr. Coates: It is in his riding.

Mr. McIlraith: I am told it is in his constituency. The Minister of Industry and Defence Production, one employee, clerk, grade 1, at Montreal in a public building.

An hon. Member: In the constituency?

Mr. McIlraith: No, I believe not. The Minister of Justice, one employee in Montreal, not in the constituency; the Minister of National Defence, one employee in a public building, not in the constituency.

Mr. Douglas: Where?

Mr. McIlraith: In Toronto. The Associate Minister of National Defence, two employees at Sorel in the constituency; the Minister of National Health and Welfare, one employee in the constituency; the Minister of Northern Affairs and National Resources, two employees at Vancouver, not in the constituency.

An hon. Member: In the same city?

Mr. McIlraith: Yes. The Postmaster General, two employees in Vancouver. I am not certain whether the actual office is in the constituency or outside it. I will try to verify that. The Minister of Public Works, two employees in Montreal, not in the constituency; the Secretary of State, one employee in Montreal, not in the constituency; the Minister of Veterans Affairs, one employee in the constituency. That employee is only a part time employee at a salary of $2,000 a year. In case anyone asks about the order in council, there is an assistant indicated in the order in council as being in the minister's constituency but I find on investigation that in fact he lives in the immediate Ottawa-Hull area and is in fact in Ottawa. I mention that in case someone reads the order in council. I believe that list to be full and precise.

Mr. Douglas: May I ask the minister this question? We have knowledge of two orders in council now and in the case of the Minister of Citizenship and Immigration the employee working in the office of the minister is described in the order in council as being at Baie des Sables. The minister says that he is actually in Ottawa most of the time. Now he tells us that another employee described in the order in council as working in the constituency is actually located here.

Mr. McIlraith: I do not know that it is fair to say that in the order in council they are described as working in the constituency. In any event, in the one case the man has never worked in the particular town or village of Baie des Sables although he has worked part-time in the constituency. That is the point I am making. The practice in drafting the

orders in council has varied over the years. If you go back for 30 years checking through the orders in council, as I have tried to do to unearth information, it is obvious that they do not give the whole record, although they are perfectly effective and proper orders in council. There are changes in the form of setting them up which does make it quite difficult, and in fairness to hon. members I thought I should point out these two cases. In the case of the order in council referring to Baie des Sables, this man works here mostly, and also in the constituency, but never in the particular village referred to in the order in council.

With regard to the other case, if you read the order in council you will see that he is said to be working at a particular place in the constituency. In fact, he lives in the immediate Ottawa-Hull area and works in Ottawa. It is true that he does go to the constituency occasionally. Incidentally, I found no travelling expenses for him, which pleased me very much. I wanted to make these precautionary remarks in case the orders in council are subsequently turned up and appear to indicate that something I have said is not precisely accurate. I believe what I have said to be precise and accurate and it certainly represents an attempt to get at the problem in a very full way.

Mr. Douglas: Mr. Chairman, to me the minister's statement is far from satisfactory. He says that the individual mentioned in the order in council, Mr. André Côté, is most of the time in Ottawa but he also does some work in the constituency and in that event is located at Baie des Sables.

Mr. McIlraith: No, not in that case. That is the point I am making. This is the third time I have made the point. He is never at Baie des Sables. There is no office at Baie des Sables. So far as I can find out he has never been at Baie des Sables in his working hours since he was appointed.

Mr. Douglas: Mr. Chairman, this is a confusing situation. Here is the government passing an order in council which reads:

> The board, in accordance with the provisions of section 71, subsection 1, of the Civil Service Act, recommends the appointment of André Côté as special assistant in the office of Minister of Citizenship and Immigration at Baie des Sables, Quebec, with salary at the rate of $7,500 per annum, effective March 2, 1964.

This is the order in council which was passed and now the minister says that this man was never at Baie des Sables. Why on earth was it placed in the order in council? Now the minister says he is not located at this particular point but he is available for work in the constituency.

Mr. McIlraith: Precisely. That is the very point I was trying to make. Here is an order in council obviously prepared to cover a man who came from the village of Baie des Sables and somebody put his address in because they found out he was going to do some work in the constituency. I came forward frankly and told the house what the situation was. Baie des Sables, which unfortunately I have never seen, is a relatively small community. But it is the home of this man whence he came when he was employed by the minister. I have looked at the map to satisfy myself, and I am told that when he goes to the constituency he does not go to this smaller community or centre. He goes to the main centres of population in the constituency, such as Matane. Incidentally, he was in the gallery when these questions were asked some days ago and he is in the gallery today. He is based at Ottawa and operates in Ottawa, but he does go to the constituency from time to time.

Mr. Douglas: This is exactly the point. I am not concerned about what he does in the minister's office in Ottawa. I am concerned about the fact that apparently there are employees paid out of the public treasury who are located in the constituencies of ministers. In the case of André Côté apparently he is here part of the time and in the constituency part of the time. I want to know what he does in the constituency. Apparently the Minister of Fisheries has someone at Bathurst in his constituency. The Associate Minister of National Defence has two people at Sorel in his constituency. With respect to the Minister of National Health and Welfare, the order in council I have only covers one person in her constituency although I thought the President of the Privy Council said there were two.

Mr. McIlraith: No, one.

Mr. Douglas: One in Niagara Falls, then, and it says in the order in council appointing this person that she is to be located at Niagara Falls. The Minister of Veterans Affairs has someone part-time in St. Boniface.

Now, Mr. Chairman, no one is contesting the minister's right to have someone in his office where he is doing government business. However, the whole defence put up by

the President of the Privy Council yesterday was, first, that this thing has been done for many years, which seems to me to be no argument at all. He said, in fact, they have improved upon the practice of the past because now these orders in council appointing these persons who are in ministers' constituencies are subject to review from time to time by the treasury board.

Mr. McIlraith: No, that is not the way he put it.

Mr. Douglas: I believe the minister said the treasury board reviewed these from time to time.

Mr. McIlraith: No.

Mr. Douglas: Do I understand they are not reviewed at all?

Mr. McIlraith: No, you do not understand it.

Mr. Douglas: They are approved by the treasury board, then an order in council is passed and there is no review from time to time.

Mr. McIlraith: I did not say that. It seems that throughout the proceedings today the hon. member has rather lost track of what I did say yesterday. I had undertaken to get information for the hon. member and discuss this matter on interim supply. As I pointed out in the early part of my remarks, this was a practice going back many years. I indicated how far back, but I have not tried to check just how far back it goes. I know it goes back as far as 1935, but I have no idea how many years before that.

I said that the practice was the same as that which had been in existence under the former government. There was one slight change and that was that treasury board had to deal with the recommendations before they were brought forward under section 71 for appointment by the governor in council. It is a small change, but it does give treasury board a chance to get at this thing. I then gave a statement in general terms and concluded with these words, which I should like to quote from page 4742 of *Hansard*:

> I must add, Mr. Chairman, that the Prime Minister has instructed the treasury board to examine into the whole question of ministerial assistants working outside Ottawa. He has asked treasury board to report on how this practice, as it has developed over the years, can be brought under strict control so that abuses, if any, can be prevented, and whether there are any advantages to the public service under the practice which should be retained under the control referred to.

[Mr. Douglas.]

Now, it will be seen at a glance that if you take a country the size of ours the work will be spread out over a vast area. Perhaps I could pick out one city by way of illustration because I have had a chance to look a bit at the work being done in Vancouver. If the hon. member for Burnaby-Coquitlam views the information I have given him he will find that there are three stenographers and one clerk in Vancouver. If you follow the practice of business people in that province, and their habit of communicating with the government or making appointments with ministers and that sort of thing, you will find you have to make a careful evaluation of the situation because it will be seen that keeping these stenographers there, at the regular stenographer's salary, undoubtedly saves a great deal of money to the public treasury. I must confess that when I see the size of the budget deficits, both past and present, that is a source of concern. It is a much better way of getting effective service for the population and the business people who will likely be communicating with the government than closing up the office and having all the staff here. Then, you would have to pay travelling expenses, and if you start travelling the vast mileages necessary in this country, the cost can be very high.

I have picked on Vancouver to illustrate a point. We have the same kind of situation to a limited extent in Winnipeg. There has been an office there for a great many years. In Montreal there has been a public works office in a public building, and I find that they probably do even more work than the minister's staff should be doing. It may well be that they are doing work for the departmental staff as well.

About all I can say that is really effective is that the Prime Minister has issued these instructions and the treasury board are doing precisely what is indicated. They are making a thorough examination of this whole matter to see what abuses, if any, exist. Of course it follows that appropriate action will be taken if any do exist. It will be seen this is not a simple matter of just having everybody work in Ottawa. This is no solution at all to the problem. When some questions were asked some time ago on orders of the day, the inference was—I must say I made a note of it very quickly—that these persons were doing other than ministerial work in the local constituencies at the constituency level. If that were the case it would, of course, be objectionable. I do not find that is so. We have a proposition here. The ministers are

expected to produce results and I think I can say, in all modesty, that they are paid to look after the national business of the country. There is a good deal of work done for ministers to leave them free to deal with public business with which they might otherwise have to deal, or be expected to deal themselves. This matter requires careful evaluation and examination.

Mr. Douglas: The minister has a great capacity for muddying the waters. I started by saying that the minister's argument consisted of two parts: First, in saying that this practice had been going on for some time and that this government was trying to tighten it by having such appointments first of all reviewed by the treasury board prior to appointment. He also said the Prime Minister had asked for a further examination to see if there were any abuses. This really does not satisfy me. A review by the treasury board, a board made up by ministers themselves in the main, regarding the activities of other ministers of the same political party is not going to produce very much by way of careful scrutiny of these appointments.

Now, the other case made by the minister yesterday was that this section 71, subsection (1) of the Civil Service Act under which these appointments are made is being interpreted as meaning, when it says "persons to be employed in the office of the minister shall be appointed by the governor in council", not the place but the function of the minister. This means stretching one's credulity almost to the breaking point.

The President of the Privy Council said he had an opinion from the Minister of Justice on this. I keep wondering whether it was an off the cuff opinion which the minister gave one day after lunch or whether it was a written opinion from his department. I would certainly enjoy seeing it. But even if the minister's interpretation is right, and this office of the minister referred to in the act is not the actual office, the actual room or rooms where the minister's staff may be located, but is the function of the minister, then I still maintain that these appointments are only to assist the minister in carrying out his functions.

To what extent do the ministers' functions as a minister extend to having someone in Sorel, Baie des Sables and Niagara Falls? I am not talking about the minister's function as a member of parliament. The section does not give the governor in council the power to appoint staff to do their work as M.P.'s, but to do their work as ministers.

Last night when explaining this to the committee the President of the Privy Council said:

> It may well be that ministers could be relieved of much of their obligation to deal with the manifold problems of their constituents by a secretary or a stenographer living in their constituency—

Surely, Mr. Chairman, the function of the minister does not extend to looking after his constituents. That is his function as a member of parliament, and any staff which he requires to look after his constituents and his constituency business is his responsibility, just as it is that of any other member of parliament.

Miss LaMarsh: Do you pay your secretary?

Mr. Douglas: I pay any secretary I keep in my constituency.

Miss LaMarsh: Is it not a fact that every member of the house, whether on the treasury benches or otherwise, is provided with at least one secretary, paid from the public purse, whose responsibilities include looking after constituency matters, correspondence, and anything related to the individual member's constituency, and that those duties are performed with respect to the riding, here in Ottawa and could just as easily be performed in the constituencies?

Mr. Douglas: Mr. Chairman, every member is entitled to secretarial assistance, and the ministers in carrying out their constituency affairs are no different from any other members. When a minister is given the privilege of having a secretary in Niagara Falls—and I refer to the Minister of National Health and Welfare, since she has raised this matter—and the secretary is paid a salary of $5,220, which is much higher than any private member's secretary gets, not to work in Ottawa but to work in Niagara Falls then this is something which is not granted to any other member.

I want to know, is that secretary looking after the work of the department. If so, what public health department work is there in the city of Niagara Falls that this secretary is discharging? The fact is very clear that this person is not doing work for the department. This secretary is looking after the affairs of the minister, not in her capacity as a minister of the crown but in her capacity as a member of parliament. But if any of the rest of us need secretarial help in our

constituencies we expect to supply it ourselves, and we do.

What I am quarrelling with is that an order in council, passed under a section which gives the government the right to appoint secretarial staff or other staff to work for a minister, is restricted to the minister in his or her function as a minister of the crown, and does not give the governor in council power to appoint persons to work in a minister's constituency to do tasks which are related to the minister's responsibility as a member of parliament.

Miss LaMarsh: Would the hon. member permit another question? Is it not a fact that work done in Ottawa, work done in Niagara Falls or Burnaby-Coquitlam, being of the same type and being done by an individual counting off against an establishment is exactly similar in kind? Is it not also a fact that the hon. member, who is concerned over this matter, has on his staff a number of individuals who are paid from the public purse, one in particular a Mr. Pope who frequently does work for his member outside of Ottawa, and yet his salary is paid at public expense?

Mr. Winch: May I ask a question of the minister? If what she says is correct then I take it there is no difference between her operation of the department in her own constituency and in my constituency in Vancouver. If so, does she intend to appoint somebody in my riding in Vancouver and, if not, why is it only in her constituency where this appointment is made?

Miss LaMarsh: I will be happy—

The Chairman: Order. The hon. member for Burnaby-Coquitlam had the floor and when he has concluded we might continue with questions.

Mr. Douglas: The minister's question simply points up the whole problem so far as the government and the committee are concerned, that either the staff which the public pays for should be available in members' constituencies or should be restricted to Ottawa, and it should be the same for everybody. But if the ministers are going to have staff working in their constituencies they ought not to be appointed under section 71. They ought to be appointed in their capacity as members of parliament. This section however only gives the governor in council power to appoint persons to help a minister discharge his or her responsibility as a minister of the crown and not as a member of parliament, and I think that this can lead to a great deal of abuse.

If the government wants to adopt something of the system they have in England, of allowing members to have agents, and paying them to look after the business of the members in their constituencies, that is a policy which could well be considered; but the government has not followed that policy. What I and others are afraid of is that by a back door method, of appointing people under the pretext that they are helping a minister carry out his ministerial duties, this is actually being used to appoint people to carry out constituency duties, and this borders on political duties. This is a very serious matter and the fact that it has gone on some time does not excuse it at all. I hope we get some satisfactory explanation as to whether the government is going to continue this practice, is going to extend it, or is going to discontinue it.

For instance, the minister said that when a minister of the crown goes to a city it is useful to have someone to make appointments. I quite agree that when a minister goes back to Vancouver undoubtedly organizations and individuals will want to see him in his ministerial capacity, but I cannot believe that among all the civil servants a minister has in Vancouver, Toronto or Montreal, there is not someone who can look after his appointments without having a secretary located there full-time to deal with the one or two days a month that he may be in the city.

I hope the government will not allow this thing to drift into serious abuse. I for one am quite dissatisfied with the explanations that have been given. I am convinced that what is being done now improperly, under the guise of appointing staff to do ministerial duties, is actually appointing staff to carry on constituency work. If the government is going to give ministers constituency agents, and make ministers different from other members of parliament, then it should come out and say so. If it is going to give similar staff to all members of parliament, then it should announce that policy; but I do not think it should rely on the subterfuge of appointing people under section 71(1) and having them do constituency work.

Mr. McIlraith: I wish to answer one point raised by the hon. gentleman. He made reference to civil servants doing the type of work done by the staff in Vancouver—I refer to Vancouver because I had the opportunity of learning about the situation there. I would

be the very first to object if we got into a position where civil servants were the ones who were telephoning to Ottawa for appointments to get ministers to go here, there, and everywhere in that province, making appointments for the people of that province to see ministers in that area, and passing on correspondence to them. I hope he did not mean to imply in the course of his remarks that civil servants should be all mixed up with the minister's staff, and vice-versa. I hope we are on common ground in this regard and that on reflection he will agree with me on this point, at least, because I do not think he could have realized the implications in his remarks.

There is one other point which the hon. gentleman raised—a general point which seems to be based on a wrong premise. It is a fact of geography in this country that our ministers come from most of the provinces of Canada. I regret I am compelled to say "most provinces" instead of "all provinces". In any event, the point I am making is that, though they represent the whole country as ministers in the cabinet, the fact of life is that they do come from a particular province and are looked on in those areas as the provincial minister, or the area minister, in the federal cabinet. Because in some cases a particular office is located in a town in the constituency of a minister, rather than in some other town in the region is, surely, no reason why the inference must be drawn from this fact alone that the person concerned is doing constituency work.

Mr. Douglas: What are they doing?

Mr. McIlraith: That is the point. We are checking right through, as I told the hon. member. And, as I was careful to say in the concluding part of my remarks, the Prime Minister has given instructions—

Mr. Douglas: Tell us what their duties are now.

Mr. McIlraith: I think I can do that. The hon. gentleman was premier of a province and I have a suspicion—in fact, I have more than a suspicion—that he used the minister's staff outside the city of Regina. He knows that.

Mr. Douglas: Would the minister be specific? Is that a statement or an hypothesis? Give us particulars.

Mr. McIlraith: Yes. When I was solicitor for the province—I think I could check up the records; I will give them.

Mr. Douglas: The minister need not be coy. If he has any charge to make, I want him to make it. If not, he should withdraw it.

Mr. McIlraith: I have no charge to make whatever. The point I am making is this—

Mr. Douglas: The minister is dancing away from this and I will not allow it. The minister made a statement. He will either substantiate it or withdraw it. He dances away from almost everything he has been asked.

Mr. McIlraith: Perhaps I might be allowed to withdraw—

Mr. Douglas: I have the floor, Mr. Chairman.

The Chairman: My understanding is that the minister has the floor.

Mr. Douglas: I was rising on a question of privilege.

The Chairman: The hon. member for Burnaby-Coquitlam is rising on a question of privilege.

Mr. Douglas: The minister has danced away from almost everything he has been asked, but he is not going to dance away from this. He will now either substantiate what he said, or withdraw it. Or he will tell me he is making a hypothesis, and if he does I will want confirmation of that.

Mr. McIlraith: The hon. member has taken the time to put on the record some further observations which are unnecessary. I did withdraw it. How many times does he want me to withdraw?

Mr. Douglas: I did not hear the minister withdraw it and I do not think anybody else did.

Mr. McIlraith: I realize the hon. gentleman did not hear what I said. I withdrew it in a loud voice and the hon. gentleman did not hear because he was busy talking when he might have been listening. I spoke in a loud voice and a direct voice. It was quite unequivocal because it was not my intention in any way to irritate the hon. gentleman.

An hon. Member: Slander.

Mr. McIlraith: No, I do not have the reputation around here of seeking to slander anyone. I have been here too long to take that from the hon. member. I have a reputation here of answering the questions put to me if I can, and the record will vouch for that. I told the hon. member for Burnaby-Coquitlam some ten or 12 days ago on orders of the day that I would be willing to discuss this matter and give all the information I could

on interim supply. This I am prepared to do, and I have been giving this information as fully as I can. The hon. member made what I thought were wrong arguments when he spoke a short while ago, and I was rising to correct what I considered were those wrong arguments. If there is more information required, I will be glad to give it to him.

Mr. Douglas: If the minister has withdrawn his remarks, I think it would be interesting to know why he made them in the first place. What was he trying to prove?

Mr. McIlraith: I will tell the hon. gentleman. I was trying to illustrate that it is perfectly obvious that any minister may have to send a member of his staff to one part of the country or another on a particular occasion. That is the point I was trying to illlustrate or prove. I thought it would be evident to anyone. For instance, I sent a member of my staff to Kingston some days ago to undertake certain work of a rather technical nature which I regard pretty much as my own concern. That is the point I was trying to make.

Mr. Winch: The matter before us now concerns an appointment to a minister's office in a constituency. I certainly heard an allegation made that the hon. member for Burnaby-Coquitlam, a former premier of a province, did the same thing.

Mr. McIlraith: No.

Mr. Winch: I am asking that that be withdrawn.

Mr. McIlraith: I never made any such statement.

The Chairman: I may say in any event, whether the statement was made or not, whatever statement was made by the minister, he withdrew it, and I suggest that this particular incident be forgotten. I should like to call on the hon. member for Medicine Hat who has been wanting to speak for a while.

Mr. Teillet: I think perhaps because the leader of the New Democratic party—

The Chairman: Order. I am wondering whether we should not give an opportunity now to other members who have been trying to get into this debate. They would like to say a word, and I suggest we recognize the hon. member for Medicine Hat.

Mr. Olson: There are one or two matters I should like to place before some of the ministers opposite. I wish to ask the ministers who have requested treasury board to make these appointments providing for people to work in their constituencies just what, in fact, these people are doing.

I think the argument advanced a few minutes ago by the Minister of National Health and Welfare is tantamount to an admission that they are in fact doing constituency business. The hon. lady tried to argue that all members have the privilege of hiring a secretary to take on their constituency business in Ottawa. I drew the inference that this was justification for her having an appointment made under this section of the act by treasury board of someone in her constituency to take on her constituency business. I want the President of the Privy Council and the ministers who have made these appointments to know that no member of this House of Commons, as far as I know, has the privilege of having a secretary to attend to his constituency business anywhere except in his office in Ottawa. We would like to know whether or not this is the case, because it just so happens that the secretary who is on the staff of the House of Commons here in Ottawa and is assigned to my office did in fact go to the constituency of Medicine Hat during the Christmas recess and was there until some time in February, and during that period she was not paid by the House of Commons. If there are members of this house, be they ministers or otherwise, who are enjoying the privilege of having secretaries paid to attend to constituency business in their constituencies, I think this practice should either be extended to all members or withdrawn.

The President of the Privy Council has attempted to muddy the waters, as has been pointed out, and stick-handle this question which has been put to him a number of times; but so far we have not received any clear explanation from the Minister of Veterans Affairs, the Minister of National Health and Welfare or the Minister of Citizenship and Immigration as to the exact duties these people are performing. We all know very well that the Minister of National Health and Welfare, for example, has an office in Ottawa. We know there is an office of this department in Toronto, in Winnipeg, in Regina, in Edmonton and in British Columbia; and we also know—

Mr. Teillet: Mr. Chairman, I am sure the hon. member would not want to mislead the committee. There is no office of a minister in Winnipeg. There is only one office for the province of Manitoba, and that happens to be in St. Boniface, at the moment, in the public post office.

Mr. Olson: I said there was an office, or a branch of the Department of National Health and Welfare, in Winnipeg.

Mr. Teillet: And in St. Boniface.

Mr. Olson: And perhaps in St. Boniface. Anyway, Mr. Chairman, there are a number of them all across the country. Members of this house have no objection whatever to ministers using the staff of this house to assist them in their function as minister of whatever department it happens to be. But these three cases of appointments by treasury board of other staff in the constituency appear to me to have nothing to do with their function as ministers of the crown.

With regard to the argument advanced by the Minister of National Health and Welfare, to the effect that she is entitled to this kind of person on her staff in Niagara Falls because other members of the House of Commons have the right to hire a secretary to attend to constituency business, I think she is entirely wrong because the premise of that argument is false. Members of this house do not have that privilege, and I have personal experience to buttress that argument. Therefore I think if we are to get at the heart of this question, which is a very valid one, we should have an explanation from these three ministers at least as to just exactly what these three people do in their constituencies while they are being paid by the government.

Miss LaMarsh: Mr. Chairman, I am very happy to have the opportunity to speak on this matter; I have been waiting for it all afternoon. In the first place, I should like to say to the committee that I am not being defensive—I do not intend to be—and I deny any allegation that there is any subterfuge or anything wrong in what I have done I am speaking of what I myself have done as Minister of National Health and Welfare and I should like the committee to know this.

Within a day or so of my appointment to this portfolio I was advised of the size of the establishment of the minister's office. Some individuals had been employed by my predecessor, and remained; some left of their volition a few days before this government took office. Some of those individuals had been appointed by Mr. Martin, who was my predecessor's predecessor. They perform different jobs, and the establishment was set up, I presume, by the civil service commission. Some of them are what members of parliament would call regular civil servants; that is, they have come up through the civil service and have moved into the ministerial staff. Some of them have been appointed to the ministerial staff or have taken the civil service examination in the past and have come into the staff. We have everything from messengers up to the most qualified senior clerks in the ministerial offices.

Every member of the House of Commons has at least one individual appointed to his staff here in the house. Admittedly this is while the session is on. That individual is appointed and is paid from public funds for one purpose, obviously, namely to deal with the member's constituency work. A minister of the crown has no sessional staff over and above those individuals allotted to him or her as members of the ministerial staff.

Obviously the work which a minister carries on also involves that of a member of parliament, and he or she is as entitled to a staff member to carry out this work as any other member of parliament. It should be remembered that more than one half of the remuneration of a minister of the crown is paid for being a member of parliament. This work must be completed, but no individual is appointed to ministers' staffs for sessional purposes at all.

The discussion has not been heated today, but there has been a faint suggestion by hon. members of sticking one's fingers in the till. I deny such an allegation. The practice, rightly or wrongly, has been going on for 30 years. Civil servants have informed me of it and I imagine that the same thing has happened with my colleagues. Our senior civil servants informed us, when we took over the responsibilities of the department, of the way in which the minister's office was operated. There was absolutely no reason for any of us to inquire into whether there was anything wrong in it, just as there was no reason to inquire into any other information we were given.

We had information as to how our predecessors operated. In my particular case my predecessor did not establish an office in his own constituency; instead he had to appoint people whom he was entitled to have, namely an executive secretary and an executive assistant. This was done by a great many ministers. In particular I remember that it was done by Mr. Fulton as minister of justice. Those individuals, instead of appointing someone to their constituency office had a rather high priced man, in some cases with a salary of $9,000 a year or more, flying back and forth to the constituency. Their expense accounts were charged to the public purse.

They were doing the minister's work in and out of the constituency.

In my own view, to have someone who is a clerk, who is a contact not only for me as a member in my constituency but perhaps, more importantly, for me as the minister for southern Ontario, for something in excess of 5 million people, most of whom through their members or otherwise contact me in my constituency—presumably to save themselves the cost of long distance travel and long distance telephone calls—is a necessity.

Like the hon. member for Burnaby-Coquitlam and every other member in this house, I have great pride in being a good constituency man. I have always tried to take a great deal of care of my people. Since I have been appointed as a minister of the crown I have found, particularly because of pressures regarding pension legislation, that it has been virtually impossible to be in my constituency. Accordingly I have done what a great many other members do, and that is put on a telephone answering service 24 hours a day and run up long distance telephone bills at my own expense in telephoning back and forth to my constituents. But there has been no way of having personal contact with people, not just from the riding of Niagara Falls, which constitutes 80,000 people and for which I am paid $18,000 a year for being their member, but also all the people from southern Ontario who wish to get in touch with me as the minister for the area. Surely every member realizes that a minister does not just have the responsibility of an individual portfolio but has also the responsibility of a member of parliament representing these people.

In addition to that, because of my particular portfolio a great deal of work is generated regarding pensions, family allowances and matters of that kind by individuals all over the country. Many of these people are not literate in either the French or English language. Accordingly, I ask them to come to the office; I want that to be clear. This office is established in a public building. As far as I know there has never been one similar in my constituency, although my constituency was formerly represented by a minister of labour, Mr. Humphrey Mitchell. At this time his executive assistant was sent to the constituency. I remember his staying at a hotel for a week at a time at public expense arranging for people in that area to see the minister. Therefore I know from my own knowledge that this is a practice which has gone on for more than 30 years.

[Miss LaMarsh.]

Hon. members have said that they do not have this kind of privilege. It was not very long ago that I was a private member, and I am well aware that there are differences between the privileges and responsibilities of members of the privy council and those of individual private members. If there were not those difference I would not imagine that too many members on that side would want to get over to this side and sit on the front benches. But with parliament sitting eight to ten months a year now we who in this house are not only members of the executive branch but members of the legislative branch are incapable of looking after our primary responsibility for which purpose we were elected, and for which purpose we are paid, namely constituency work.

I should just like to put my position on record. Each of my colleagues may have a quite different position, but if I were to represent, as did my hon. friend opposite, the wonderful province of Manitoba, and had a constituency office in Brandon, or if I were to represent Nova Scotia—I am not certain whether the former minister of finance had one too, but I think he did—and I represented the whole province of Nova Scotia or Manitoba, I would be happy to have such an office and would feel that the people of that province would be better served by the minister from the province if there were such an office.

The hon. member for Burnaby-Coquitlam suggested that this was political. I think too often members of parliament sneer at that word. But I can say on my honour as a member of the House of Commons that no piece of patronage work, no political work in that sense, has ever been performed in this office. Although I was informed about a year ago that I was able to open such an office I did not do so until this spring, when it became perfectly apparent that no matter how work was arranged here in Ottawa with reference to the individuals in southern Ontario, and more particularly in my constituency, their needs could not be attended to properly. Yet in setting up such an office my staff was advised never to ask the politics of anyone who came in the door. The sign on the door says: "Department of National Health and Welfare Minister's Office". The stationery used in that office is the stationery which is used in each of the several offices I have, also in Ottawa. When I am in my constituency I work physically in that office, and outside it sits the secretary at her desk, as the receptionist. I suspect that if there is a summer recess I

will be working in that office every day. When I am in my constituency I expect that I will be handling not only constituency work but also departmental work as minister in Ottawa.

If this type of practice is improper and illegal I should like to know, because I have no desire to do anything which is improper and illegal. I would appeal to the hon. members of the house not to suggest that simply because this sort of thing has been done there is something underhanded, that subterfuge has been used. This practice has been carried on for quite a time, as I have pointed out, in different ways in different constituencies. There was no attempt to hide the fact in the order in council that this individual was going to work in Niagara Falls, and my constituency was in fact informed about it in speeches, by telephone calls and in every way possible, and the public invited to come to the office. Liaison has been arranged with the provincial welfare and the municipal welfare people, who move in and out of the office in an attempt to serve the people in the area.

If I have done wrong, if section 71 does not, as I believe it does, extend to appointing someone in the office of the minister to do the work of the minister, if this is improper I shall at once discharge her and close this office. I do not believe there is anything improper in that which I have done, and with respect, Mr. Chairman, I do not believe that the members of the committee will find anything improper or that there is any subterfuge involved.

Mr. Teillet: Mr. Chairman, I just want to take one moment, if I may, to try and explain the value of this kind of arrangement as far as Manitoba is concerned.

Mr. Winch: I do not know whether my hon. friend is making a maiden speech, but I have the floor.

The Chairman: I did call on the Minister of Veterans Affairs.

Mr. Teillet: I simply wish to say that as far as Manitoba is concerned I have found it essential, and all my predecessors from that province have found it essential, that there be an office in that province available to the public, to all the citizens of the province, where they can talk to someone and find a means of getting information from the minister, from his department and from other departments of government.

Mr. Churchill: I did not have one. Why did you say all your predecessors had one? Let us be accurate about this.

Mr. Teillet: I beg the hon. member's pardon.

Mr. Churchill: You said all your predecessors maintained an office with a staff there. I did not and I was one of your predecessors in the Department of Veterans Affairs.

Mr. Teillet: Then I apologize to the hon. gentleman. My information was that one existed in the general post office building in Winnipeg, and instead of using that I opened one in the general post office in St. Boniface. I did this in order to serve the people of that area, because I feel it is important. Otherwise it would mean that someone from my office would occasionally have to travel to Manitoba, and the net cost involved here represents a saving. This office is open to serve the public. I would feel very badly if we had to make a change because I think it is useful to the public of Manitoba.

Mr. Scott: Would the hon. gentleman permit a question. I understand that there is a district office of the Department of Veterans Affairs in Winnipeg. Is that not so?

Mr. Teillet: Yes.

Mr. Scott: What do they do in the minister's personal office which cannot be handled by the federal office located in Winnipeg?

Mr. Teillet: This is a question of the office being located in St. Boniface rather than Winnipeg. I think there is a good reason for that office to be occasionally located there instead of on the other side of the river, otherwise it would not be accessible to the people there. There is a distinction in going to the Department of Veterans Affairs, where there is a considerable amount of traffic.

The Chairman: Shall I call it five o'clock?

Mr. Winch: I have the floor so I will call it five o'clock.

Mr. Scott: Mr. Chairman, on a point of order, the item coming up at five o'clock is a bill standing in my name dealing with the elections act. Subject to the feelings of the house, this matter concerns such a serious misuse of the statute that if it could be cleared up within the hour I would be content to relinquish my right to speak on my bill, and have it listed for some day next week.

The Chairman: May I suggest that a decision on this point be made with the Speaker in the chair.

Progress reported.

Mr. McIlraith: Mr. Speaker, in view of the remarks of the hon. member for Danforth I wonder whether the house would grant permission to continue with interim supply from five to six?

Mr. Scott: I am quite agreeable to that, provided it is understood that my bill will be called in the first hour next week.

Mr. McIlraith: It will not lose its position, there having been no private members' hour.

Mr. Scott: I am agreeable to that.

Mr. Deputy Speaker: Is it agreed that we will suspend private members' hour?

Some hon. Members: Agreed.

SUPPLY

INTERIM SUPPLY

The house resumed consideration in committee of the following resolution—Mr. McIlraith—Mr. Lamoureux in the chair.

Resolved, that a sum not exceeding $469,308,421.26, being the aggregate of—

(a) one twelfth of the total of all of the items set forth in the main estimates for the fiscal year ending 31st March, 1965, laid before the House of Commons at the present session of parliament, $329,299,209.25;

(b) an additional one twelfth of the amount of agriculture item 5, privy council item 25 (schedule A) of the main estimates, $2,259,116.67;

(c) four twelfths of the total of all of the items in the supplementary estimates (A), laid before the House of Commons at the present session of parliament, $134,897,245.34;

(d) an additional seven twelfths of the amount of loans, investments and advances item L37a (schedule B) of the supplementary estimates (A), $2,625,000.00;

(e) an additional two twelfths of the amount of loans, investments and advances item L12a (schedule C), of the supplementary estimates (A), $227,850,

be granted to Her Majesty on account of the fiscal year ending 31st March, 1965.

Mr. Winch: Mr. Chairman, I have listened with a great deal of interest to the remarks of the Minister of National Health and Welfare and the Minister of Veterans Affairs. May I say with all respect, or perhaps disrespect, that it is not possible to accept their statements. How can they hope to bamboozle members of the House of Commons and expect that we are so naïve as to accept what they have said?

[Mr. Scott.]

Miss LaMarsh: On a question of personal privilege, is the member saying he does not accept what I have said?

Mr. Winch: I said that you cannot expect us to be so naïve as to accept what you have said.

Miss LaMarsh: Is the member saying he does not accept my word as a member of the House of Commons?

Mr. Winch: I accept your word, but not what has happened. If one, two or three cabinet ministers have found it necessary to make special appointments by means of a recommendation by treasury board approved by the governor general in council in order for them to discharge their responsibilities as ministers holding the portfolios of health and welfare, immigration and veterans affairs, may I ask how it is that the other 17 cabinet ministers have not yet found it necessary to carry on their business in the same way? If, for example, such appointment is for immigration purposes, will we finally find out how many landed immigrants have been processed through the office in the minister's riding and how many immigration cases there are in the minister's constituency? I am getting on very well without the minister rising and I want to deal with this matter on this basis.

The Minister of National Health and Welfare comes from Niagara Falls, a particular area in Ontario. Why is it that it is not important for her to have a representative in the other 264 constituencies of Canada? May I ask why the Minister of Veterans Affairs requires a representative in his constituency? I am usually pretty honest and not naïve. These appointments by cabinet ministers are political appointments for party patronage purposes.

Mr. McIlraith: That is not true.

Mr. Winch: There cannot be any other answer. I was most interested in what the Minister of National Health and Welfare said a few minutes ago about her responsibilities and how she had to have somebody in her riding able to approach people and report to her. She said that we as members of the House of Commons have secretaries. Of course we have when the house is in session. I admit that as a minister she cannot get back to her riding very often. We all admit that. But I cannot go back the 3,000 miles to my riding of Vancouver East either. As a matter of fact I think my attend-

ance in the house is close to a record. I have only lost three full days since February 18. My riding of Vancouver East is just as important to me as the Liberal riding of the minister is to her. She made a statement—I am sorry, I should say that the minister made a statement because you should not call a minister a she.

Mr. Scott: You would not call her a he.

Mr. Winch: I would not call her a he. As a matter of fact, I should like to know about the invitation to marriage because I read that she would like to become a mother.

Miss LaMarsh: Really, Mr. Chairman, I do not know to what my hon. friend refers. However, not only do I think that I deserve some respect as a woman from him but also my office deserves some respect. I have no idea what the reference he has just made means, but I do ask him to realize that he is speaking in the highest court in the land, that there are children in the galleries, and that the few reporters in the press gallery who understand English may occasionally read *Hansard* and produce reports for the public press. Therefore I ask him at least to pay attention to what he is saying.

Mr. Winch: Mr. Chairman, whether I am in the highest court of the land or the lowest court of the land I always honour women. My point is that the minister said that with all her staff she had no one to take care of her constituency business. That was the implication. Am I correct? The minister acknowledges that I am correct. If that is so, how does she think that members of the house take care of their constituency business when they do not have the authority to appoint anybody in their constituencies?

Let ministers as well as members be honest. These appointments were made by these cabinet ministers at government expense for strictly political purposes.

Mr. McIlraith: That is not so.

Mr. Winch: If not, then there should be an office of the department, not the political party, in the ridings where these appointments have been made. In the constituencies of each of the three cabinet ministers and in the towns that have been named, where is there an official office under the control of the cabinet minister for the carrying on of government business which requires the appointment of somebody representing the minister in that constituency with a salary ranging from $5,000 to $7,500 a year?

The cabinet ministers concerned can make all the explanations they like. This is still political patronage for the maintenance of party control in their own constituencies. There is no other basis for these appointments. There is no other reason for these appointments, and they are completely against the laws and regulations of parliament. I hope that the time will come when greater consideration will be given to the needs of members as well as cabinet ministers.

In conclusion, Mr. Chairman, I do want to say this, that the real meaning of government is honesty; the real meaning of democracy is following the principle that what is right for one is right for all. The government is a minority. It can carry on if it conducts the business of the people. It can carry on also if it does not make a farce of the rules and regulations. All three ministers concerned are fairly close to their constituencies, but there are about 150 of us in this house who are a lot farther away from our ridings. There are a number of us who have not been back to our constituencies, except for three days or a week, since February 18.

If a cabinet minister can say that because of responsibilities he needs somebody in his own riding, appointed by subterfuge at government expense, then other members have that right and privilege, too. Until you are prepared to be absolutely honest and give rights to all members, to recognize the distances in Canada, then I say that the three appointments made, irrespective of everything said by the three ministers, are political, constituency appointments for political control of their own organizations in their ridings and not for the work covered by their positions as cabinet ministers.

Mr. Scott: I wanted to ask the minister if he could give me the duties of these people. I find it very strange, for example, that in the city of Toronto we have an assistant to the Minister of National Defence, yet the more important cabinet posts of trade and commerce and finance do not seem to require that type of assistance. I know the minister is a bit uncomfortable at this apparent misuse of the statute, but I want to say to him in the beginning that it is not particularly helpful to the discussion for him to make the type of innuendo against the leader of our party that he did a little while ago. I can understand the uncomfortable nature of his position, but I do not think it is helpful to make that kind of innuendo and then try to withdraw it, because the innuendo is in the record.

It is a rather unfortunate thing that he would try to sidetrack it in that way.

I do not want to go through the whole list of these appointments, but really we have had no satisfactory answer at all on this subject. We still do not know what these people are doing for their ministers in their capacity as ministers, over and above the duties of the minister as a private member. All of us have sympathy for the ministers. They have a great deal of work to do and they would like to have some assistance in their ridings, but you cannot do it in this back door method. You are misusing this statute. I would not go quite as far as saying the appointments are illegal, but certainly I should like to see the whole matter referred to the courts for an interpretation. I doubt very much if the wording of the statute, which is quite clear in its provision that these people are to work in the minister's office, can be stretched to appoint people in constituencies. By the admission of the Minister of National Health and Welfare, this assistant is dealing with business on a constituency basis.

It is really fatuous to suggest that the reason for the appointment is that the minister represents all of southern Ontario. I am sure every member of the house can say, as I can, that I receive correspondence from members of our party in various constituencies across the country. It is a ridiculous argument to say that because she is the minister for all of southern Ontario this is required. We are simply not satisfied with the explanation. We want to know what justification there is for this type of misuse of a public statute. We have not received any information at all from the President of the Privy Council or from the other ministers who have spoken that would in any way justify the conduct in this case. I suggest that until you do give us proper answers we want to sit here and talk about it. The alternatives are either, (a) refer this matter to the court for a ruling as to whether you can make use of a statute in this way or (b) rescind these appointments until such time as you can satisfy the House of Commons that the procedure you are adopting is legal and proper.

After all, it is our historic right to insist that public funds be spent in a constitutional and proper manner. Nothing you have said today has convinced us that you are following a proper course. It is not sufficient to tell us that this practice has been followed by previous administration. I understand that in the case of the present Leader of the Opposition, he stopped this practice when he was prime minister. The mere fact that this procedure has been used by previous Liberal administrations is not sufficient justification for pursuing it now.

I want to again ask the minister to go through this list of departments. For example, the associate minister of defence has two persons in his constituency. What are they doing for him as minister, over and above his capacity as a private member? The minister of northern affairs has two people in Vancouver. What are they doing there? What are their duties to him as a minister, in a city in which there are regional offices for his department? The Postmaster General has two in Vancouver. What are their duties? What are they doing for him in his capacity as a minister—

Mr. Diefenbaker: Checking to see that the mail arrives.

Mr. Scott: —as distinct from his capacity as a private member? The Minister of Public Works has two in Montreal, again in his own area. The Secretary of State has one in Montreal. It is just too coincidental, Mr. Chairman, that all these appointments happen to be either in the constituency of the minister involved or in such close proximity to the constituency that it does not really matter.

This is a very serious charge. I would not go quite as far as my colleague who just spoke. I am not suggesting that there is anything deliberately sinister in these appointments, but you simply have not satisfied us. I want to ask the minister again to get up and tell us, as he has not done, what these people are doing in these constituencies. I find it very interesting that the Minister of Trade and Commerce, handling one of the most complex and difficult departments, has not needed an assistant in his constituency. I find it a strange coincidence that the Minister of Finance, carrying perhaps the heaviest portfolio in the city of Toronto, has not seen fit to require such assistance. Again, we want to know, what is it all about? What are these people doing there, because from what has been said today the implication that will go out across the country is that these people are performing duties for ministers in their political capacity or in their capacity as a private member, and for that there is absolutely no legal justification under the section which you have used to make these appointments. I want to give the minister an opportunity to answer.

Mr. McIlraith: The hon. member has raised several points and I should like to deal very

briefly with one, that is the interpretation of the section. I do not propose to develop the argument I made last night on that. I am convinced of the legality of the appointments, but that is not, I respectfully suggest—

Mr. Diefenbaker: Would the minister read the section so we know what he is discussing?

Mr. McIlraith: I must warn the Leader of the Opposition that it is one page in length. This is section 71 of the Civil Service Act. After I satisfied myself, and because the hon. member for Winnipeg North Centre had intimated a doubt about the legality, I took the precaution of asking the Minister of Justice for an opinion on it.

Mr. Scott: Would you table the opinion?

Mr. McIlraith: No, it is not proper to table such an opinion and it has never been the practice. I think that is elementary. I invite the hon. member for Danforth to read the remainder of subsection 1 of the authority for the appointment. I invite him to continue on reading this section and notice the interchangability of the use of the words "position" and "office", particularly as it appears in the first part of subsection 2.

Further, if he is familiar with the whole act, I invite him to notice the drawing of the distinction between departmental civil servants, what we would call regular civil servants, and these service sections that deal with publicly paid special employees, drawn from outside the general divisions of the regular civil service. If he does that he will be more satisfied on the legal question.

Now, I do not wish to put this thing on narrow legal grounds, though that is a very important point and I am not in any way underestimating it. But assuming I am right in that, there still remains the larger question on which to be satisfied concerning public funds. I am sorry I am not better able to satisfy the hon. member, but I assure him I had no intention of casting any aspersion on the leader of his party. I was seeking to illustrate the regional nature of the ministers' appointments, and the fact that they have been regarded as regional has gone on so far as I know since confederation.

I was solicitor to that province for a great number of years and, to allay the hon. member's fears a bit more, if I made a reference that was taken up in any way, I immediately withdrew it because I had no intention of casting any aspersion on the hon. member. I was trying to indicate what had not been appreciated, the regional nature of ministers' appointments in this country, and if the hon. member goes back over *Hansard* he will see that just before this I had spoken about Vancouver, to illustrate the fact that the provinces regard certain ministers as their ministers, and this is certainly true of the smaller provinces. I made indirect reference to the fact that the government has no minister from Saskatchewan—

Mr. Diefenbaker: The people decided that.

Mr. McIlraith: That was the sole point I was seeking to raise on that issue, so I hope the hon. member will accept my word on that point, and I think *Hansard* will bear me out if he looks at it more carefully in the light of what I have said.

Now, coming to the particular point I have made, where I said I would not justify the practice by saying it had been there as far back as I could check, I do not think that is a sufficient answer by itself, but I think if I had not given that information I would have been less than frank with the committee. I do not see how I could do otherwise than give it and that is the reason why I gave it. If hon. members will look at my answer carefully they will see I described it as a practice going on since 1935, and I had illustrated it throughout the years since, but I had certainly not meant that as a full justification of it.

I had then gone on to point out what apparently seems to have missed the attention of the hon. member for Danforth, precisely what we are doing now that this matter has been drawn to our attention; and this was contained in the very last part of my remarks last evening. I thought I made that point clear.

Now, as to the particular offices, I said I had gone through the Vancouver office quite carefully and I sought to illustrate that I was completely satisfied that, whether it is due to the Rocky mountains, or whatever it is, that province regards itself as far away —separated, if you like, in a physical sense, from Ottawa. It is a long distance away, from Ottawa. It is a long distance away, with difficult means of communication, expensive costs of telephone calls and a few things like that. In any event it is the practice of people all over that province to come to that office, which is staffed with relatively junior staff, to make appointments and get information about business at Ottawa, a great deal of it by way of information as to where this or that should be directed. I fully satisfied myself on that office because I had an opportunity of getting through it, and I had satis-

fied myself that there was no work of a local party nature in that office.

With respect to what has been said about the office in Winnipeg, I would draw the hon. gentleman's attention to the fact that the province of Manitoba seems to feel some pride—and I share that pride—in the fact that it is a province of some considerable substance and there is, and always has been, a minister's office maintained in that province.

Mr. Churchill: But not a minister's assistant in that office.

Mr. McIlraith: I wonder if the hon. member for Winnipeg South Centre would just mind checking that statement before he leaves it on *Hansard*. I would draw the attention of the hon. member for Danforth to the fact that this employee in the St. Boniface office is drawing the magnificent salary of $2,000 a year, with no travel expenses of any kind, and I invite—

Mr. Scott: What does that prove?

Mr. McIlraith: It proves I have some responsibility for financing this country's expenditures and if I am satisfied that employee is doing proper work in the minister's office relating to the minister's duties, I am not going to cut off that $2,000 to be replaced by an expenditure of many more thousands of dollars for travel expenses and that sort of thing.

Mr. Diefenbaker: The minister is giving a very full explanation, but he got out of Vancouver pretty fast. Am I correct that there are two in the office of northern affairs in Vancouver?

Mr. McIlraith: Yes.

Mr. Diefenbaker: And two in the post office?

Mr. McIlraith: That is right.

Mr. Diefenbaker: In the examination the minister made of the Vancouver post office sub-office, would he tell us what he found there among the records, and also the same with northern affairs, because it is most unusual to have such a large staff just looking after general matters?

Mr. McIlraith: I am tremendously surprised that the Leader of the Opposition raised that question because I thought of all the people in the committee he would not raise it. I must say I was surprised at finding the extent to which the B.C. people, including its business people, regard Ottawa as being—I do not want to use the term separated—a long piece away, and the extent to which they go there for all manner and type of government information.

Mr. Diefenbaker: Are there no federal government offices in Vancouver?

Mr. McIlraith: Yes, there are. I may say that right here in Ottawa I have found myself somewhat amazed at the extent to which I have found myself being interviewed by business and professional people in the whole of eastern Ontario about what they regard as eastern ontario matters related to govenment business, and not of a political or party nature. This is a fact in this country. I have not yet gone over all the offices, but this is in the process of being done and if there are any abuses, action will be taken. I wish again to draw the attention of hon. members to that. I do not know what more I can say about this thing.

When I checked the one in Niagara Falls I began to wonder, in the light of some of the work there, what percentage of our total immigration had gone into that area. Frankly a lot of things rather surprised me. I was amazed to find the increased inquiries about immigration which were going into that office. I do not put this forward necessarily as a defence, but hon. members asked for information and I am giving them the information. I can only say this is being pursued right through. I did get around to the public works office in Montreal. I found that it has a smaller staff than is usual. The question raised there was whether these people were doing more than the minister's office work—whether they are doing work that should be done by the departmental staff, in which case we may have to add departmental staff there. There is a practice there of getting information about publicly called tenders, a practice which apparently has gone on in that province over a great number of years, no matter who is minister.

Mr. Bigg: I am wondering whether these people are not doing some of the work we ourselves are supposed to be doing. Take the postal department; I have not had a letter from the postal department in my constituency for a year. When I was on the other side, I used to have many letters about vacancies coming forward, and so on—

Some hon. Members: Oh, oh.

Mr. Bigg: It is no laughing matter. I am talking about legitimate business. When postal services are required in my area I think it is my duty to my constituents to

see that those situations are adequately filled. It is not a question of patronage. I think the reaction from the government side of the house is very unpleasant. I want to know why I am no longer asked to help supply adequate postal services throughout my district. As I say, I have not had a letter for a year. Where are they going?

Mr. McIlraith: Perhaps I can help the hon. member by reminding him that I, like himself, was a private member supporting a government for some years, and I was a private member of the opposition for some years. And I am not surprised at what he says.

Mr. Bigg: I am.

Mr. McIlraith: That may be. What the hon. member says is undoubtedly true, but I do not know that it is germane to the point at issue here.

Mr. Bigg: I think so. If you are spending $2,000 in any place in Canada on work which could be done by members here, I think it is not money well spent. This is a legitimate job—

Mr. McIlraith: No, it is not part of a member's job to perform the duties required of ministers of the crown. It is the duty of the hon. member to discharge his obligations as a member of the House of Commons and of the parliament of Canada. What we are discussing here is whether or not these employees are performing the duties of a minister of the crown.

Mr. Baldwin: I did not get a list of all the various ministers who have representatives, ambassadors or assistants in their constituencies or other places.

An hon. Member: None in Alberta.

Mr. Baldwin: I was thinking in terms of one of the ministers, the Postmaster General who, before being offered that important portfolio, was minister of forestry. I would be interested to know what is the position in cases of this kind, where the duties of a minister are changed. What happens with regard to the assistants in these cases. For example, what happened to the assistants credited to the minister of forestry in Vancouver? Were any new orders in council passed to deal with the situation when the minister became Postmaster General? Did they become attached to him in his new capacity? I think this is a point of some interest.

Mr. McIlraith: I would want to check that before giving an answer because I do not know exactly what the procedure is. In any event, the two employees in question are on the minister's staff now, attached to the Postmaster General; they were on his staff formerly, when he was minister of forestry. However, I would want to check the technical aspect of the question.

Mr. Churchill: I did not wish to participate in the discussion this afternoon, but the President of the Privy Council I think suffered a lapse from his usual standard of veracity when, in answer to an interruption of mine, he cast doubt on my truthfulness. He was talking about ministerial assistants in the province of Manitoba, in the office there, and I said "But no ministerial assistants in the office". He said "When you check *Hansard* you may wish to revise that statement". I do not wish to do so at all. Never, when I was a minister of the crown, did I have a ministerial assistant appointed outside the city of Ottawa, and I hope the President of the Privy Council will, in fairness, correct the inference to the contrary which he left on the record.

Mr. McIlraith: Yes, I am happy to correct it. The hon. member—and I think *Hansard* will support me in this—says "in that province". He said "no one in that province", and I looked directly at the minister concerned. There was an employee of the minister's staff, as he knows, in that province. The hon. gentleman is quite correct as far as I know. He did not have any employee of his minister's staff in the province.

Mr. Churchill: I wrote down what I said, and the words I used were "in that office". I hope that my correction when I interrupted the Minister of Veterans Affairs is correctly shown, too. He said that all his predecessors had personal assistants in the office in Winnipeg as he has at the present time in St. Boniface. I attempted to correct him because I did not have a ministerial assistant serving in the office which was available in the city of Winnipeg; I had nobody on my staff serving outside Ottawa.

May I say, with regard to the Minister of Veterans Affairs, that the department has in the city of Winnipeg a very large office to which I always referred the problems of veterans which arose in Winnipeg and in Manitoba when I happened to be in the city of Winnipeg. Veterans would call me at the hotel and I would make sure that they were immediately looked after by the officials of

the Department of Veterans Affairs. That is precisely what should be going on at the present time.

Mr. Dinsdale: Perhaps I could throw a little light on this matter. It seems to me that the President of the Privy Council was looking in my direction when he referred to Manitoba. When I became a member of the treasury benches I was informed there was an office available in my constituency to which I was entitled to appoint a representative. This I did. However, it was not long until the hon. member for Bonavista-Twillingate, who all the time that I was minister of northern affairs and national resources performed the function of being the controller of the conscience of the hon. member for Brandon-Souris, raised objections in the form of complaints, with the result that I decided it would be desirable, in the best interests of good administration to withdraw the representative from my local constituency office. I think the appointment was made in November, and it was withdrawn in February. From that point on the office was available. It was served by representatives of my staff here in Ottawa.

Mr. McIlraith: Mr. Chairman, may I ask the hon. member what year that was?

Mr. Dinsdale: That was 1960-61.

Mr. Favreau: Mr. Chairman, were the members of the hon. member's staff actually attending the office in Brandon?

Mr. Dinsdale: No, not on a continuous basis. The office was there. I was informed by the Department of Public Works that the office was available in the post office building. I used it myself when I was in the constituency, and it was used from time to time by the secretarial staff in my office here in Ottawa.

Mr. Winch: Mr. Chairman, may I ask a question of the President of the Privy Council. If I heard correctly, the information given by the hon. member for Danforth was to the effect that the Minister of Northern Affairs and National Resources has two appointees of a personal nature in Vancouver. Could I ask the President of the Privy Council to explain why there are appointees of northern affairs in that riding. I ask this question because I know the riding; Vancouver has been my home for 43 years. I would like to know if there are appointees of northern affairs in the riding of the minister; and if so, what is their job?

[Mr. Churchill.]

Mr. McIlraith: Mr. Chairman, I dealt with both those questions earlier. I am not sure whether or not they are in the constituency. The building is the federal building at 326 Howe street, Vancouver. I believe it is not in the minister's constituency, but in any event it is in the city of Vancouver.

Mr. Winch: Are they two private appointees of the minister who are doing constituency work there? I should like to ask this question at the same time. I understand, also, that the Postmaster General has two such members on his staff, and I presume they are in the same constituency. What are the responsibilities of these four appointees?

Mr. McIlraith: I dealt with that matter a few minutes ago, Mr. Chairman. They are not employed on constituency affairs; that was the very point I made about them. They were ones I happened to have an opportunity to check, and they are not working on constituency affairs.

Mr. Winch: What are their responsibilities?

Mr. Scott: The minister has told us what they do not do. What do they do?

Mr. Winch: What are their responsibilities outside the offices of the Postmaster General and the Minister of Northern Affairs and National Resources? These public buildings are in Vancouver Centre; there you have the complete staffs of northern affairs and national resources, and public works. What are the responsibilities of these four appointees over and above those of the normal staff?

Mr. McIlraith: They are on the ministers' staffs, as opposed to or distinct from departmental duties. That is a distinction I also tried to draw earlier in my remarks this afternoon. As a matter of fact, I differed a little with the leader of that party on that particular point, when he suggested that the duties in a minister's office should be performed by civil servants. I am sure he did not mean it to sound as it did, the way he put it.

Could I ask the hon. member, Mr. Chairman, whether he was in the chamber a few minutes ago when I gave this explanation?

Mr. Winch: Yes, I was. I think, Mr. Chairman, we have now come right down to it, in view of the statement of the President of the Privy Council, who has said that those four persons are not in these ministers' offices for departmental duties. Therefore, what are they? Are they party hacks?

Mr. McIlraith: No, Mr. Chairman.

Mr. Winch: The minister, in his statement of about 30 seconds ago, said they are not there for ministerial or departmental duties.

Mr. McIlraith: I did not say they were not carrying out ministerial duties, Mr. Chairman. Surely the hon. member does not wish to put words in my mouth. I drew the distinction between ministerial duties and departmental duties. They are regular civil servants. This is a distinction I have always drawn in this house and, as a matter of fact, have fought a good deal about over the years. They are doing work that comes within the category of ministerial office duties, as distinct from those of the civil service. I also said they were not doing local party organization work or work of a party nature.

Mr. Winch: This is becoming somewhat ridiculous, sir. Is the President of the Privy Council saying there is a difference between ministerial and departmental duties? Is there such a difference, when the minister has a complete staff?

Mr. McIlraith: Yes, Mr. Chairman; I am very firm in saying that.

Mr. Winkler: Mr. Chairman, I have one very brief question for the minister. Is there such an assistant in the constituency of the Minister of Transport, or is there just one for that whole province?

Mr. McIlraith: There is none in that province, or for the Minister of Transport.

Mr. Peters: Mr. Chairman, I have listened very diligently to the remarks made this afternoon, and I think they are very important. I was interested in the last statement in particular, when the President of the Privy Council suggested that there is a difference between ministerial and departmental duties. This is not what the hon. member for Niagara Falls said when she explained the situation. She said—and I think this is exactly right and I do not think there is any doubt in the minds of hon. members about it—that she has a person in her riding doing the work of a member. It may well be, she said, that she receives a letter relating to welfare, which is a provincial matter, and is doing something that is really not within a member's responsibility; but I am sure it falls within the duties of every member of the house to handle matters that are allied to our job. I think we all do this—and these are the duties of a member of parliament.

Miss LaMarsh: What about your secretaries?

Mr. Peters: We certainly do not have secretaries who are able to do this type of work in our ridings. We do this as members of parliament. I certainly do not ask my secretary to do the job I am supposed to do as a member of parliament. But really this is what the Minister of National Health and Welfare was saying; that in her area she has someone to do the work that she had not time to do because her duties as minister take her into another field. Yet the President of the Privy Council is suggesting this is not the field; that the field is a limited one. It may be I am not familiar with the difference between the duties of a minister as minister of the crown and the duties of a minister as head of a department of government. There may be some fine distinction there. But the argument does not hinge on that; it hinges on whether the Minister of National Health and Welfare is doing the job to which the President of the Privy Council has referred, namely in the field of ministerial responsibility. Has the President of the Privy Council looked into the matter as to whether or not the Minister of National Health and Welfare, or for that matter the ministers of veterans affairs, northern affairs, fisheries and many others, have ministerial offices legally in their own areas to handle matters which as members of parliament they must handle? This is a highly technical question, because the act specifies that these people can only be appointed to a minister's office. Frankly, I think the Minister of National Health and Welfare did this, because she said earlier today that she had a brass nameplate on the door indicating to all and sundry that it was the office of the minister.

Miss LaMarsh: Not brass.

Mr. Peters: Well, the material does not matter, but the implication is that this office is an extension of her Ottawa office and should therefore be handling matters which I doubt whether the person she has in her office is capable of handling. I do not say that in disrespect to the person concerned, but the problems which come to a minister's office I would presume often need the advice and co-operation of the deputy minister concerned, or the advice of various heads of the department, because people coming to that office would not be asking about welfare or compensation matters but about matters which can only be settled by the staff in Ottawa.

I submit we are talking of two different things. I think the minister of health told

us forthrightly and honestly exactly what her office was. If this was out in the open in my area you would not need to pay persons who are defeated candidates—because this is a patronage machine. I think there may be a role yet in politics for this. It has not been eliminated so far. If it has, it comes in conflict with the decision of the President of the Privy Council. My experience with the office of the privy council is that the minister goes into great detail and examines the matter very carefully, and I would be happy to have him take the whole matter under advisement.

There are two legal problems. One is whether or not the minister has the right to move her office around the country, which is something like the situation with the president of the United States. Is the president of the United States a guy who goes out and lays a cornerstone, or is he the guy who acts in an executive function? Books have been written on the division of these two responsibilities. In this case we will have to look at the office of the minister and at the work of the office of the minister to see whether the duty is performed in that sense.

I did not get much of a story from the Minister of Veterans Affairs and I do not know what is the function of the person in his office. It appears that he would rather have his office in St. Boniface than in Winnipeg, which raises a different question entirely. The minister of health and welfare made it clear enough that the President of the Privy Council will have to decide whether or not this office can be moved around.

Second, what is the function of the persons concerned? The act says that the minister may appoint his executive assistant and private secretary. This is done in a non-civil service way, and they act as the persons directly responsible in a political way. These people are always political people; they must be politically oriented or they would make a real botch of the problems which come to all of us here. Then the act goes on:

—and other persons to be employed in the office of a minister shall be appointed by the governor in council.

I think it is these others we are concerned with.

The only reason we are concerned in this matter is that it completely changes the aspect of government. If I am a poor member and very stupid I may have to hire someone to do my business in my constituency. As one hon. member has said, give me $5,000 to stay at home and I will represent my riding better there than in Ottawa; and maybe that is true. But the question is whether or not we want to change the system which has existed for a long time and now put into ridings people who are paid a salary by the treasury board to look after our business. I think the President of the Privy Council will simply have to face up to the problem of whether I in Timiskaming, should have an executive assistant to handle the political business of Timiskaming, because I too have to be in Ottawa eight to ten months of the year. If such a person is supplied for a minister I suggest he should also be supplied for members. I think whether we should move the office of the minister from place to place is the crux of the problem, and that the President of the Privy Council should give us the legal opinion he receives on this. I suggest that he get the legal opinion, not necessarily from justice but from the law officers of the house, who have the right to make a report to parliament rather than just to a minister.

The Chairman: Shall the resolution carry?

Mr. Peters: I would only suggest, Mr. Chairman, that I would be quite happy to let it carry tonight if the minister will give me the assurance he will consider these matters, which will be important to members of parliament for many years to come.

Mr. McIlraith: Yes; I not only give that assurance but, as I have said, I am considering the matter now. In fact, the Prime Minister has instructed treasury board to do this, and that is on the record in *Hansard*.

Mr. Nowlan: Mr. Chairman, as far as I am concerned—and I speak now on behalf of the house leader—we are perfectly prepared to have the resolution carry now, on the undertaking that we will go ahead with the bill on Monday and with the committee stage of the bill. Frankly, I have some matters I want to comment on, as have other members. We will have the right on clause 1, as we do on any general bill, to have a general discussion in committee. If that undertaking is given and it is agreed we have a general discussion on the first clause, I think we could advance this resolution one stage tonight and carry on on Monday.

Mr. Favreau: We are, of course, ready to give that undertaking.

Mr. Scott: We are happy to have the resolution pass, but over the week end would the

President of the Privy Council look up the legal opinion he received and table it in the house?

Mr. McIlraith: No, Mr. Chairman. As I indicated earlier I would not be prepared to table it. This has never been the practice in the House of Commons and there is a long argument on this which I will not enter into. But that has always been the position.

Mr. Peters: Is it not legal to get the legal officers of the House of Commons to give this kind of opinion?

Mr. McIlraith: I think the practice is to get it from the attorney general. As far as I know that is the practice, and I am going back over a number of years. That is the responsibility of the Department of Justice.

Mr. Nowlan: I am sure that the President of the Privy Council is right when he says there has never been the tabling of an opinion in this house; but if parliament requests it I think there is a practice we could follow, which has been followed on several occasions in the past. The Minister of Justice could write to the President of the Privy Council saying that he cannot give the ruling that parliament has requested, but advise him in general terms, which really comes to the same thing. You get away from the tabling of a written opinion which, because I had to go into this one time myself, has never been done under the rules of the house.

Mr. McIlraith: That is a correct statement of the practice and we are quite prepared to follow it.

Mr. Favreau: The reason for this, of course, is that only the Attorney General of Canada or Minister of Justice has the responsibility of advising the crown, and any opinion from an officer of the law department is a draft opinion with which the Minister of Justice, under his responsibility, will or will not agree. The minister is the only one who has final responsibility, for such advice.

Motion agreed to.

Resolution reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Lamoureux in the chair.

INTERIM SUPPLY

Mr. McIlraith moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1965, the sum of $469,308,421.26 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in.

Mr. McIlraith thereupon moved for leave to introduce Bill No. C-105, for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1965.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read the second time? Next sitting of the house?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Churchill: With regard to the business of the house I suppose we will be on interim supply on Monday, and if the President of the Privy Council has less support from his colleagues perhaps it may pass. What will we be doing on Tuesday?

Mr. Favreau: I hope we may dispose of interim supply on Monday. After interim supply the business of the house remains as announced. We will proceed with the flag resolution.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, June 29, 1964

The house met at 2 p.m.

THE LATE GORDON CHAPLIN

TRIBUTES TO DECEASED MEMBER FOR WATERLOO SOUTH

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I know that hon. members were greatly saddened to learn over the week end of the untimely death of the hon. member for Waterloo South, Mr. Gordon Chaplin. In the brief two years that he was in this house his thoughtful, wise and mature approach to his responsibilities as a member and to the subjects that came before us in this house won for him the respect and friendship of members of all parties from all parts of the country.

Those of us who were privileged to remember his father when he too served Canada in the House of Commons were prepared to find in our late colleague the same fine qualities of quiet ability, friendliness and devotion to duty, and we were certainly not disappointed. His premature passing is a very great loss to his country, to his province, and certainly to this house.

On behalf of the government I would like to extend to his widow and his two sons our deepest and most sincere sympathy in their bereavement.

Hon. George C. Nowlan (Digby-Annapolis-Kings): I think this is the fourth occasion during this parliament on which we have been called to pay respect to the memory of colleagues who have departed this life during this relatively short period. We appreciate the references the Prime Minister has made this afternoon to our colleague. Many of us here and on all sides of the house have lost a friend, in some cases a very close friend, and all have lost a colleague who had won the confidence of hon. members.

Quiet, unassuming, a man of integrity, trusted and respected by all those who had the privilege of sitting with him, he had inherited and developed a position of preeminence in the business world of this country. As the Prime Minister has said, he was the inheritor of a proud political tradition, his father having been a member of a former government in this country and he himself having been a member of the legislature of Ontario for some years before he finally came to this house. His time here was altogether too short, and during the time he was here he was dogged by ill health. But he did take part in debates; he did take part in some committee discussion, and all those who had the privilege of hearing him or sitting with him realize the contribution he could have made had he been given more time.

We on this side have lost a friend and colleague. We appreciate the sentiments which were expressed by the Prime Minister. This parliament and the country are the poorer for his untimely passing, and to his widow and to the family we express our most sincere and deep sympathy.

Mr. T. C. Douglas (Burnaby-Coquitlam): The members of this party wish to join in expressing our profound regret at the passing of the late member for Waterloo South, Mr. Gordon Chaplin. Although he was here only a short time we all came to admire him for the sincere and conscientious discharge of his duties as a member of parliament. The members of this group wish to express our deep sympathy to his wife and his two sons, and to convey our regret to his colleagues in the Conservative party and to the people of the constituency of Waterloo South in the great loss they have sustained.

Mr. A. B. Patterson (Fraser Valley): The members of the Social Credit party would like to join in the expressions of regret on the passing of the late member for Waterloo South.

As has been brought to our attention, this is the fourth time during this parliament we have been called upon to pay tribute to members who have been taken from us, all of them men who were held in the highest esteem. Certainly the late member for Waterloo South was one of those. We often refer to the fact that this is the highest tribunal of the land, but times such as these bring to our attention the fact that eventually all of us will be called upon to stand before the highest tribunal of all. Perhaps we can re-echo the

prayer of one of old: "Teach us to number our days so that we may apply our hearts to wisdom".

We join in expressing our sincere sympathy to Mrs. Chaplin and the two sons, and to the Progressive Conservative party which has lost a valued colleague.

[*Translation*]

Mr. Raymond Langlois (Mégantic): Mr. Speaker, the members of the Ralliement Créditistes join their voices to those of their colleagues of the other parties to express their sympathy to the family of the hon. member for Waterloo South (Mr. Chaplin) who departed suddenly. It is a loss for the Conservative party, the house and the whole country.

We all knew the hon. member for Waterloo South as an honest, sincere, generous and hard-working man. Some people will perhaps even say that he was daring, but it must be remembered that temerity, in the case of a soldier, is a virtue.

At this time we can say of Mr. Chaplin that we express, with deep regret, to his family and friends, as well as to the Conservative party, our sincere sympathy.

This also reminds us that even though we are in charge of the nation's business there is always just a certain number of days ahead of us and, whatever happens, we will have to meet, some day, the supreme parliament.

Once more we express our sympathy to Mrs. Chaplin, her two sons and the Conservative party. The official opposition lost a colleague, and the house a representative of the Canadian people.

[*Text*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF FRENCH CULTURAL DELEGATION AND AMBASSADOR OF FRANCE

Mr. Speaker: I should like to call the attention of all hon. members to the presence in the Speaker's gallery of a cultural delegation from the French national assembly, along with His Excellency the ambassador of France.

Some hon. Members: Hear, hear.

FOOD AND DRUGS

Third report of special committee on food and drugs—Mr. Harley.

[Mr. Patterson.]

THE MINISTRY

APPOINTMENT OF MINISTER OF NATIONAL REVENUE AND PARLIAMENTARY SECRETARY TO FINANCE MINISTER

Mr. Speaker: The right hon. Leader of the Opposition—the Prime Minister.

Some hon. Members: Oh, oh.

Mr. Pigeon: Another retreat.

Right Hon. L. B. Pearson (Prime Minister): There are those who would think that would be an advance. Mr. Speaker, I would like to announce that at 12.30 today the hon. member for Kingston, Mr. E. J. Benson, was sworn in as Minister of National Revenue.

Some hon. Members: Hear, hear.

Mr. Pearson: I am sure all members wish him well. I would like also to announce that Mr. Benson will be succeeded as parliamentary secretary to the Minister of Finance by the hon. member for Brant-Haldimand, Mr. Lawrence T. Pennell.

Some hon. Members: Hear, hear.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I am sure the house has listened with a great deal of interest and approval to the announcement by the right hon. Prime Minister of the elevation of the former parliamentary secretary to the Minister of Finance to a position on the treasury benches as Minister of National Revenue. We noticed as we came in that his appointment had been made today, because we saw where he was sitting.

We on this side of the house want to congratulate him on this promotion, and possibly we should also congratulate him on the fact that he has perhaps escaped from the onerous task of being parliamentary secretary to the Minister of Finance and might find life, if not less arduous at least more interesting in the position in which he now finds himself. I think all departments of government have an impact upon individual Canadians, some more than others. For instance, citizenship and immigration, veterans affairs, health and welfare, all have a direct impact on many individuals; but speaking from some years of experience I think I can say that no department has a greater impact upon millions of Canadian than does the Department of National Revenue, to a greater or a lesser extent, sometimes to a very substantial extent, involving large sums of money. There are severe and heavy responsibilities placed on this minister. However, his professional

training and experience as well as the experience he has gained since he came here will assist him in this portfolio.

In addition, he will have the assistance of a large group of able civil servants on both sides of the family, customs and excise on the one side and taxation on the other, whose advice he will receive and will have to consider. All I can say, Mr. Speaker, is that during the years I occupied that portfolio I enjoyed it tremendously, and I am sure the hon. member will have the same experience. We congratulate him on his appointment and wish him well in his new role.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to associate the members of this party with the congratulations which have been extended to the new Minister of National Revenue, and to say that during the time he has been parliamentary secretary to the Minister of Finance he discharged his duties in a very able manner. We are sure he will bring to his new position the same ability and vigorous discharge of his responsibilities.

As one who took part in the Saskatoon by-election I feel that I may have made some small contribution to the hon. gentleman's elevation to his new post. We certainly wish him well, as we do the hon. member for Brant-Haldimand, who is now to be parliamentary secretary to the Minister of Finance.

Mr. Nowlan: Mr. Speaker, I am afraid I overlooked the announcement made by the Prime Minister as to the appointment of the new parliamentary secretary to the Minister of Finance. I am sure we on this side of the house join in our congratulations to him, he having done so well as the chairman of one of the standing committees of this House of Commons.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I wish to extend the very sincere congratulations of this party to the hon. member for Kingston on having been appointed to the post he now holds. I think all hon. members of the house will agree that he distinguished himself as parliamentary assistant to the Minister of Finance. In fact, more than once I have seen him answer for the sins of commission as well as the sins of omission of both the immediate past and the present ministers of finance in a way which was certainly a credit to him.

We also wish to extend our congratulations to the hon. member for Brant-Haldimand, who has been appointed parliamentary secretary to the Minister of Finance. Many members of the house are members of the committee on privileges and elections as well as the committee on banking and commerce, and they appreciate the good work he did and the very sincere and non-partisan way in which as chairman he conducted these committees. Therefore we are satisfied and assured by his past performance that he is going to do a good job as parliamentary secretary to the Minister of Finance.

[*Translation*]

Mr. Robert Beaulé (Quebec East): Mr. Speaker, we are pleased to support the appointment of the hon. member for Kingston (Mr. Benson) to the position of Minister of National Revenue. We know that department carries heavy responsibilities, but knowing the wide experience of the hon. member for Kingston and the way he discharged his duty as secretary to the Minister of Finance, we all know he will have no trouble in his new office.

I also wish to offer my sincere congratulations to the hon. member who was appointed parliamentary secretary to the Minister of Finance. Having taken part in the work of the committee on privileges and elections and knowing his vast experience in that field, I also know that he will also carry out his job with efficiency.

[*Text*]

COAL PRODUCTION ASSISTANCE ACT

EXTENSION OF PERIOD FOR MAKING OF AGREEMENTS

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Coal Production Assistance Act to extend until the 31st day of October, 1969, the period during which agreements may be made under section 3 of the said act.

Motion agreed to.

YOUTH ALLOWANCES

PROVISION FOR PAYMENT BETWEEN AGES OF 16 AND 18

Hon. Judy V. LaMarsh (Minister of National Health and Welfare) moved that the house go into committee at the next sitting

to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to provide for the payment of allowances of $10 per month to parents in respect of dependant youths between the ages of 16 and 18 years who are maintained by such parents and are attending school or university or are precluded from so attending by reason of disability.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PUBLIC WORKS CONTRACTS WITHOUT TENDER, COMPTON-FRONTENAC CONSTITUENCY

Question No. 1,146—**Mr. Latulippe:**

1. What is the value of contracts awarded without public tender by the Department of Public Works, in the constituency of Compton-Frontenac since April 22, 1963?

2. What was each of these works, where is each located, who was the contractor performing the work, and what was the value of each project?

[*Translation*]

Answer: 1. $9,735.83.

2.—Type of Work	Contractor	Amount	
Federal Building, Cookshire			
Repairs to door frame	Gedeon Roy, Cookshire	$ 26.76	
Interior painting	Emile Vermette, East Angus	1,635.00	
Repairs to front doors	Couture & Frères, East Angus	550.00	
Instal steel plate on safe	Sherbrooke Structural Industries, Sherbrooke	26.65	
4 minor works under $25. each		30.86	
			$2,269.27
Federal Building, East Angus			
Repair 2 mechanical fire boxes	A. Couture Inc., Sherbrooke	180.35	
Exterior painting	Sam Vermette, Cookshire	925.00	
Repair window frames	Félicien Poulin, East Angus	32.10	
Repair mechanical fire box	A. Couture Inc., Sherbrooke	264.90	
Repair lobby doors	Félicien Poulin, East Angus	27.75	
Levelling grounds	Gaston Tardif, East Angus	25.00	
Transfer of stoker	A. Couture Inc., Sherbrooke	30.32	
14 minor works under $25 each		141.23	
			$1,626.65
Federal Building, Lac Mégantic			
Exterior painting	Claude Beaudoin, Lac Mégantic	600.00	
Installation of ventilation system	Development Lac Mégantic Inc., Lac Mégantic	1,190.00	
Repairs to fence	Garage Mercier, Lac Mégantic	33.70	
Snow removal	Willie Roy, Lac Mégantic	300.00	
11 minor works under $25 each		146.13	
			$2,269.83
Federal Building, Sawyerville			
Installing flag pole	Corporation of Village of Sawyerville	98.50	
Interior cleaning	William Mattison, Sawyerville	900.00	
4 minor works under $25 each		59.35	
			$1,057.85
Federal Building, Scotstown			
Repairs to metal fence	J. D. Poirier, Scotstown	288.70	
Repairs to masonry	J. D. Poirier, Scotstown	1,467.88	
Repairs to chimney	John P. Matteson, Scotstown	80.00	
Snow removal	Town of Scotstown	80.00	
Exterior painting	R. C. Stokes, Bury	567.00	
3 minor works under $25 each		28.65	
			$2,512.23
			$9,735.83

[*Text*]

*GRANTS TO SHIPPING COMPANIES, QUEBEC CITY

Question No. 1,249—**Mr. Ricard:**

What amounts did the Department of Transport grant the Polaris Shipping Company and the Compagnie de Navigation du Nord, both of Quebec city, in the years 1960-61-62-63-64?

[*Translation*]

Mr. Cantin: The Canadian maritime commission advises as follows: (a) The amount of subsidy paid to Geo. T. Davie & Sons on behalf of Polaris Shipping Company under the ship construction assistance regulations is as follows:—

1960, Nil; 1961, Nil; 1962, $181,468.80; 1963, $96,000.00; 1964, $288,000.00.

There is a balance outstanding of $96,000.00 in 1964.

(b) No subsidy or grants were made by the commission to La Compagnie de Navigation du Nord.

[*Text*]

SENIOR OFFICERS IN ARMED FORCES

Question No. 1,250—**Mr. Pigeon:**

What are the names of persons in the three armed forces who have the rank of general, major-general, brigadier or an equivalent rank in the navy or the air force and what are their salaries?

[*Translation*]

Answer: Consolidated rate of pay annually, F. R. Miller, $25,000; C. R. Dunlap, H. S. Rayner, C. R. Slemon, G. Walsh, $23,000; S. F. Clark, W. R. MacBrien, $22,000.

Total pay and allowances monthly, J. V. Allard, W. A. Anderson, C. L. Annis, W. W. Bean, J. P. Bernatchez, D. A. R. Bradshaw, J. V. Brocks, J. B. Caldwell, R. A. Cameron, C. J. Dillon, K. L. Dyer, F. J. Fleury, C. H. Greenway, J. B. Harvey, M. M. Hendrick, G. Kitching, W. M. Landymore, W. J. Lawson, L. G. Lilley, M. D. Lister, T. B. McLean, H. L. Meuser, V. P. J. Millard, J. B. Millward, R. W. Moncel, W. A. Orr, D. W. Piers, E. M. Reyno, J. M. Rockingham, R. P. Rothschild, R. Rowley, M. G. Stirling, C. B. Ware, $1,584; J. B. Allan, A. J. Bailley, K. M. Baird, F. W. Ball, J. A. Bennett, L. J. Birchall, R. M. Bishop, A. G. Boulton, R. H. Bray, H. E. Brown, H. G. Burchall, C. D. Caldbick, F. B. Caldwell, D. C. Cameron, F. S. Carpenter, J. A. Charles, E. N. Clarke, P. S. Cooper, E. D. Danby, M. R. Dare, S. M. Davie, J. Deane, J. A. Dextrase, G. C. Diamond, W. J. Elliott, E. G. Foote, E. L. Gerow, W. P. Gouin, H. V. Groos, R. J. Gray, R. L. Hennessy, A. F. Knight, R. J. Lane, G. C. Leech, M. Lipton, H. W. Love, M. P. Martyn, D. McClure, K. H. McKibbon, D. Menard, W. J. Moogk, W. S. Murdoch, W. F. M. Newson, J. C. O'Brien, S. E. Paddon, E. C. Poole, R. L. Purves, H. L. Quinn, J. S. Ross, N. H. Ross, F. R. Sharp, G. L. Smith, G. H. Spencer, P. D. Taylor, G. A. Turcot, J. A. Verner, D. A. Waldock, R. P. Welland, R. B. Whiting, H. A. Winnett, $1,434; F. E. Anderson, G. S. Austin, A. G. Chubb, J. B. Clement, S. G. Cowan, R. M. Cox, J. M. Doull, G. H. Elms, A. B. Fraser-Harris, H. R. Foottit, E. B. Hale, D. M. Holman, A. C. Hull, M. J. Jetté, L. E. Kenyon, H. C. Ledoux, B. F. MacDonald, H. A. McCandless, J. S. McConnell, R. W. Murdoch, G. H. Newsome, C. A. Peck, M. E. Pollard, J. C. Pratt, C. G. Ruttan, H. N. Sterns, R. C. Stovel, A. J. Tedlie, N. W. Timmerman, G. J. Wattsford, E. H. Webb, W. Weiser, R. C. Weston, N. G. Wilson-Smith, $1,384; H. A. Phillips, $1,367; C. R. Charlebois, $1,317.

[*Text*]

STAMP TO COMMEMORATE CHEDDAR CHEESE PRODUCTION

Question No. 1,267—**Mr. Nesbitt:**

Is the Post Office Department considering the issue of a stamp to commemorate the 100th anniversary of the commercial production of cheddar cheese in Canada, which industry was started by Mr. Harvey Farrington near the village of Norwich in the county of Oxford in 1864?

Mr. Nicholson: No. From time to time the Post Office Department issues postage stamps publicizing primary industries such as mining, forestry, fishing and agriculture, which are of major significance in the economic life of the nation as a whole. The number of such subjects and of others which contribute to an awareness of our traditions, accomplishments and history, or foster a spirit of international good will and understanding, is such that it is not possible to honour in addition the specific products of our primary industries or of the hundreds of branches of these industries. The program for special commemorative stamps for 1964 was completed some months ago and there are no openings for additional issues. Normally 18 months to two years are required to produce a postage stamp.

CONTRACT FOR ICEBREAKER

Question No. 1,268—**Mr. Marcoux:**

1. On what date was the contract granted for the construction of a Canadian icebreaker?
2. What firms submitted tenders and what were the amounts of these respective bids?
3. To what firm was the contract awarded and what was the amount of the company's bid?

[*Translation*]

Answer: 1, 2 and 3. One complete tender was received from Canadian Vickers Limited in Montreal in the adjusted amount of $18,719,075; treasury board has approved the placing of the contract with this firm for this amount.

[*Text*]

MOVING OF NATIONAL DEFENCE PERSONNEL, PICTOU, N.S.

Question No. 1,275—**Mr. MacEwan:**

What moving and trucking firms are listed for the electoral district of Pictou, Nova Scotia, for the moving of personnel of the Department of National Defence?

Answer: The following moving and trucking firms have been invited to participate in the movement of servicemen's household furniture and personal effects in the electoral district of Pictou, N.S.: English Movers, New Glasgow; Vet's Transfer, New Glasgow; Dickson Brothers Transfer Ltd. Stellarton.

CONSERVATION OF AREAS AS ECOLOGICAL UNITS

Question No. 1,281—**Mr. Irvine:**

What is the policy or policies of the present administration toward the conservation of the unspoiled areas of the country as ecological units?

Mr. Sauvé: The forest research branch is sympathetic toward the preservation and conservation of unspoiled samples of the natural landscape, and natural areas have been set aside at a number of forest experiment stations. Natural areas are defined as tracts of the native landscape, dedicated to the preservation of the endemic flora, fauna and terrain features for their intrinsic scientific, educational, aesthetic and cultural values. Exploitive activities that would destroy the values of natural areas are prohibited, and an attempt is made to exclude all disturbances caused by man and his works.

At the Petawawa forest experiment station, Ont., 17 natural areas taking in an area of about 500 acres have been set aside. At the Acadia forest experiment station, N.B., 12 natural area totalling 270 acres have been set aside. On the Riding Mountain, Manitoba, about 1,000 acres have been reserved in nine natural areas. At the present time, arrangements for larger ecological reserves in southeastern Manitoba and in the Prince Albert national park are being made.

In Ottawa the Department of Forestry is supporting the national capital commission in acquiring the Mer Bleue, an area of swampland and forest that will form an eight to 12 square mile ecological reserve on the eastern side of the city.

The forest research branch has supported the acquisition of natural areas in the belief that they have two research uses: the study of specious and ecosystems as subjects of intrinsic scientific interest, and the study of how the twin goals of preservation and aesthetics in the native landscape can be attained and maintained.

WINTER HOUSE BUILDING APPLICATIONS, ASSINIBOIA CONSTITUENCY, SASK.

Question No. 1,283—**Mr. Watson (Assiniboia):**

1. How many applications under the winter house building incentive program were received from the electoral district of Assiniboia, Saskatchewan?

2. How many applications were approved for payment in the electoral district of Assiniboia under this plan?

Mr. MacEachen: 1. There were 57 applications for certification under the winter house building incentive program received from the electoral district of Assiniboia, Saskatchewan.

2. Of these applications three were cancelled by the applicants and two other houses were not started. Of the remainder, 46 qualified for the incentive payment.

FEDERAL GRANTS TO EXHIBITIONS

Question No. 1,288—**Mr. Muir (Cape Breton North and Victoria):**

Has the government given consideration to reinstating federal (building) grants to exhibitions and, if not, is consideration being given to the matter as requested by the Nova Scotia association of exhibitions?

Mr. Hays: Major capital grants, under the exhibition grants regulations, were suspended in June, 1962 and this suspension is still in effect. Annual grants including those for permanent improvements, judges' fees and junior activities are still available.

Consideration is being given to the reorientation of federal assistance to fairs and exhibitions from one essentially aimed at assistance for capital construction to one of augmenting the prize lists of fairs and exhibitions for certain classifications. In these classes, utility and efficiency will be emphasized.

A pilot project along these lines is being conducted this year. This pilot project will be used as a basis for assessing the direction that federal assistance to fairs and exhibitions should take.

PURCHASES OF BUILDING MATERIALS, FUNDY NATIONAL PARK

Question No. 1,294—**Mr. Fairweather:**

1. How much money was spent on building materials and supplies at Fundy national park, New Brunswick, in 1963?
2. What is expected to be spent in this category in 1964?
3. Who was the major supplier of (a) plywood (b) cement, and (c) wallboard, at this park in 1963 and 1964?
4. Are Cassidy Building Materials, Sussex, New Brunswick, given an opportunity to quote on building materials and supplies for Fundy national park?

Mr. Laing: 1. $12,647.00.

2. Approximately $7,000.00.

3. (a) Plywood, Moncton Lumber Co. Ltd., Moncton, N.B.; (b) cement, Maritime Cement Co. Ltd., Moncton, N.B.; (c) wallboard, none was purchased in 1963.

The companies listed in (a) and (b) submitted the lowest quotations on these materials.

4. Yes.

FARMS AND FARMERS IN QUEBEC

Question No. 1,301—**Mr. Gauthier:**

1. What is the total number of farms in the province of Quebec?
2. How many farmers in the province of Quebec have a gross revenue of more than $1200 per year?
3. What is (a) the address of the appeals office for the agricultural credit society in the province of Quebec (b) the number of sub-offices (c) the composition of the Quebec office?

[*Translation*]

Mr. Lamontagne: 1. and 2. In the 1961 census, a farm was defined as an agricultural holding of one acre or more with sales of agricultural products during the past 12 months of $50 or more. The number of 1961 census farms in the province of Quebec was 95,777 of which 62,497 had a gross revenue of more than $1,200 per year. However, a considerable number of farms are occupied by persons employed principally in occupations other than agriculture.

3. (a) The Farm Credit Corporation appeal board has not yet been established; (b) See (a); (c) See (a).

[*Text*]

OTTAWA—LAND EXPROPRIATION BY CAPITAL COMMISSION

Question No. 1,307—**Mr. Thompson:**

1. Who are the members of the national capital commission's land committee, and what previous affiliations did they have with the national capital commission before being named to this committee?

Questions

2. Is market garden land acquired or leased by the national capital commission in the province of Quebec, dealt with differently than similar market garden land in the province of Ontario?
3. Did the national capital commission permit the erection of a $100,000 motel in the Gloucester township area of the green belt and, if so, was the property expropriated approximately 10 days after opening?
4. Has settlement been finalized on all properties expropriated since 1959 and, if not, on what properties are settlements outstanding?
5. Do the original owners of expropriated land have the same opportunity to lease their former land as do other people?

Answer: 1. Chairman: Lt. General S. F. Clark, also chairman of the national capital commission.

Members: Major General Howard Kennedy, former chairman of the national capital commission; Mr. P. S. Secord, no previous affiliation with national capital commission; Mr. M. M. MacLean, a former member of the national capital commission; Mr. J. N. Morin, a former member of the national capital commission; Mr. A. K. Hay, former chairman and general manager of the national capital commission.

2. No.

3. Prior to the expropriations carried out in June 1961, the commission had no authority to prevent the erection of buildings on lands in the green belt which it had not purchased up to that time. Although there was an agreement with the township of Gloucester to advise the commission when building permits were taken out for erection of buildings in the green belt, the fact that this motel was under construction was not brought to the attention of the commission until the building was substantially completed and the roof was on. The motel in question was started in the fall of 1960.

4. No. Attached as Appendix "A" is a list of owners located in the green belt whose properties have been expropriated and with whom settlement of compensation moneys have not been completed.

5. Yes. Preference is given former owners to lease back, after settlement of the expropriation, the property which they have owned.

The following expropriated properties in the green belt have not been settled as of June 19, 1964: James V. Sheehan, Independent Coal & Lumber Co. Ltd., T. Giles, G. J. Thiessen, Urbain Thiverge, O. R. Scharfe, N. E. Olmstead, F. E. McHugh, Garnett Munro, George Blair, Wilfred Cleroux, William Cleroux, Lois Kemp, Marion A. Kemp, Michael Budd, Est. of Theresa Budd, Gabriel Renaud, Allen Leclair, J. G. Seguin, Roy

Questions

Henderson Cuzner in trust, Aristide & Lorenzo Cloutier, Yvon and Bernadette Giroux, John Wadsworth, Paul A. Renaud, L. Lamesse, Fred Crabtree, Henri Renaud, Noel Renaud, L. P. Perrault, Lucien Leblanc, R. Labee, Louis Cyr, R. Walker, Liliane Frigon, Levine Realty, J. O'Donnell, Levine Realty, Harold Munro, Rita Guibault, K. Alexander, E. Macartney, Christine Langford, F. & M. Burke, J. A. Lafortune, Mrs. Brunell, H. A. Macartney, A. D. Smith, Leonard Heafey, Ronald Sugrue, S. F. W. Hagen, E. J. Bryan & V. L. A., Mabel Whyte, J. A. Whyte, D. Campsall, K. W. Davidson, J. Risto, W. A. Heron, R. G. Colgate, B. Dowler, Beeanbee Theatres Ltd., G. W. Barrett, George Andrews, F. W. Fraser, A. Bellai, J. Bornemisza, J. B. Boyd, E. Duford, G. P. McKenny, R. R. Brady, Frank Varga, M. G. McKay, R. Dawson, J. S. Kelso, Ilona Nanasi, N. Reznick, D. R. Park, A. Lefebvre, G. R. Lefebvre, W. L. Reid, M. Lynch, J. E. Heagle, A. E. R. Bennett, McKinlay Transport, Mrs. M. G. Shearman, Harold G. Clark, J. Stanley, Alfred Francis, L. Landry, Jean Boucher, G. Boulerice, Eva Grace Soper, Donat Lafrance, Jessie M. Baird, J. H. F. Read, F. Dillon, Wm. G. M. Shermann, Albert E. Chenery, John W. Adams, P. R. Cummings, R. N. Lillico, Lottie Blake, J. H. Johnson, Karl Wagner, Peter and Helen Diak, Edward Popovicz, E. B. John Burke, Mary Potvin, Frederick West, Amy Loughran, Harry James Turner, Harold Serson, Catherine E. Chaput, H. E. Armstrong, J. P. McCaffrey, C. P. Magladry, Eric Magladry, F. C. Bowie, D. Perry, Texaco Oil Co., A. C. Stinson, D. MacDonald, J. M. Griffin, J. S. Davidson, D. A. Brownlee, I. W. Emmerson, Norman and Alfred Baird, E. A. Hopewell, Campbell Sandstone Quarries, G. H. Thomas, Elmer Henry, Est. of Dr. H. B. Moffatt, Phyllis B. Eamer, Eva E. Leftly, Walter S. Craig, Est. of Clara B. Craig, P. Kealy, Wm. Bergin, Board of Trade, Orville Scharfe, M. A. Christie, R. J. Foster, L. F. Foster, J. M. Baird, Gustave Berthold, N. E. Goodfellow, John Bompas, Robert Campeau, C. M. Sheahan, Reginald Bruce, Mona Kustaski, Henry Steendam, L. E. Duck, L. O. Vincent, J. J. Florence, Ableson & Marcus, Bruce Macdonald, Pyrofax Gas, H. J. McFarland Construction Ltd., Lorenzo Leduc, K. Calegoure.

OTTAWA—EXPROPRIATION OF LAND FOR GREEN BELT

Question No. 1,308—**Mr. Thompson:**

1. Have the provisions of the National Capital Act in matters of expropriation of private property for green belt purposes ever been challenged in the courts and, if so, when and with what result?
2. What is the real purpose of the green belt?
3. What other uses does the national capital commission plan for expropriated green belt land?

[Mr. Thompson.]

Answer: 1. No.

2. To control the location of growth of the urban population; to provide sites for parks, beaches, golf courses and other public recreational areas; to reserve land for government use in the future; to prevent urban sprawl and ribbon development along the main access highways, thereby providing attractive approaches to the capital; to utilize marginal farm lands for reforestation and conservation of wildlife; to protect land for continuing use as general and specialized farming and market gardening.

3. Such other uses as may be approved by the governor in council from time to time.

OTTAWA—RESALE OF EXPROPRIATED LAND

Question No. 1,314—**Mr. Thompson:**

1. What was the price paid for land in lots 26 and 27, Ottawa front 2 expropriated by the national capital commission on March 31, 1964 under expropriation order 319750?
2. What profit was made by the national capital commission by subsequent resale of the major portion of this land?
3. What profit has the national capital commission made since its inception by expropriating land from private citizens and subsequently reselling it?
4. Is land expropriated from an individual and subsequently shown to have been expropriated unnecessarily, offered back first to the original owners at the price for which it was originally expropriated and, if not, for what reason?

Answer: 1. $8,750 plus $839.17 for assumption of liability to hydro, totalling $9,589 for 3.9 acres.

2. Some 3.2 acres of the property expropriated by instrument No. 319750 were sold to the Ottawa public school board on May 10, 1960 as part of a block of land comprising 18.2 acres which was sold for $72,800. Thus, the cost in 1954 was about $2,575 per acre and the selling price in 1960, averages $4,000 per acre indicating a profit of about $1,525 per acre or a total of $4,880.

3. Profits made by the national capital commission since February 8, 1959, for properties which have been expropriated and subsequently sold, amount to $310,272 for 48 parcels of land comprising 4,386 acres.

4. The national capital commission requires the authority of the governor in council to carry out expropriations. It does not expropriate unnecessarily, although occasionally after an expropriation, plans change which

might require the disposal of property. Should this occur, immediately after expropriation, authority is sought for the government to return the property to the former owner by sale or abandonment, should the former owner wish to regain title to it. After it has held the property for a reasonable length of time adjacent urban developments generally preclude turning back the property to the former owners.

OTTAWA—EASTERN EXTENSION OF PARKWAY

Question No. 1,315—**Mr. Thompson:**

1. In view of the recent statement by the associate minister of defence that the R.C.A.F. will retain Rockcliffe airport, what plans does the government now have for the eastern extension of the Ottawa river parkway?
2. Had the national capital commission approached the R.C.A.F. authorities about the use of Rockcliffe airport for the proposed parkway before engaging in expropriation of homes to the east of the airport?
3. Has the national capital commission departed from the principles of the Gréber plan, in connection with the protection of the property rights of riverside owners in the development at Riverside Parkways?
4. Has the national capital commission expropriated private homes because "houses of different shapes and sizes and colours are not wanted along the driveway"?

Answer: 1. When the fiscal situation warrants, it is proposed to extend the Ottawa river parkway from Rockcliffe park easterly along the Ottawa river across Rockcliffe airport to the vicinity of Green's creek.

2. Yes, discussion with officials of Department of National Defence.

3. No.

4. No.

OTTAWA—EXPROPRIATION OF HOMES IN ROTHWELL HEIGHTS

Question No. 1,316—**Mr. Thompson:**

1. Has the national capital commission considered the routing of the eastern driveway along Duck island and, if so, was this consideration made prior to or after the expropriation of homes in Rothwell Heights?
2. Has this alternative been rejected and, if so, on what grounds?
3. Have the affected resident been allowed to make any technical submission on the matter as they requested and, if not, has their right of a fair hearing, as guaranteed under the bill of rights been protected?

Answer: 1. General consideration was given to the routing of the parkway along Duck island prior to the expropriation but detailed consideration to the proposal was not given until after the expropriation of the homes in Rothwell Heights.

2. The use of Duck island was rejected as being a much poorer location for the parkway since it would be traversing a comparatively narrow island, would be aesthetically less attractive and it would be more costly.

3. Yes.

ARDA—PROJECTS COMPLETED AND UNDER STUDY

Question No. 1,319—**Mr. Gauthier:**

With reference to ARDA, for the period ending 31 March, 1964 (a) how many projects have been completed in each of the provinces and in what amounts (b) how many projects have been forwarded to the federal government, by each of the provinces (c) how many projects are still under study for each of the provinces and, in what amounts (d) how many projects have been proposed to the federal government relating to Roberval constituency and, in what locality is each situated (e) how many projects were completed in Roberval constituency, in what amounts and, in what localities (f) how many projects in Roberval constituency are still under study, in what amounts and, in what localities?

[*Translation*]

[*Editor's note: The answer to this question appears on page 4924.*]

[*Text*]

AERIAL SURVEYS OF JAMES BAY DISTRICT

Question No. 1,320—**Mr. Laprise:**

1. For what purpose is the Department of Mines and Technical Surveys carrying out a series of aerial surveys of the James bay islands and territories?
2. Will these surveys be used in the realization of the Grand canal project?

Mr. Benidickson: 1. The surveys being carried out by the Department of Mines and Technical Surveys in the James bay area are required for completion of reconnaissance maps presently being compiled by the department and to provide more detailed maps of areas in Quebec and Ontario where geological, forestry inventory and water power investigations are under way.

2. These surveys and the resultant maps will be of value to the study of any project that might be proposed for these areas. The surveys had been requested and planned long before there was any suggestion of the so-called grand canal.

KEJIMKUJIK NATIONAL PARK, NOVA SCOTIA

Question No. 1,327—**Mr. Crouse:**

Will the Minister of Northern Affairs and National Resources advise on the progress being made on the development of the Kejimkujik national park in Queens county, Nova Scotia?

Mr. Laing: Until the land is transferred by the provincial government, development of the property cannot go beyond the planning stage. The boundary survey has been carried

out by the provincial government and the acquisition of private properties by the province is about two thirds complete.

The national parks branch has in hand planning surveys, including ground surveys this summer, for use in preparing an overall development plan in anticipation of an early start on development of these lands after they are turned over to the federal government as a national park (see also my reply of May 25, 1964 to question No. 1,061—*Hansard*, page 3530).

*TERMINATION OF PRINTING OF BILL OF RIGHTS

Question No. 1,328—**Mr. Loney:**

Was any direction given since April, 1963, by any member of the government, either directly or indirectly, to the queen's printer to terminate the printing of further copies of the Canadian Bill of Rights in illuminated parchment form and, if so, by whom, and on what date?

Mr. Lamontagne: Mr. Speaker, the answer is no.

INFORMATION ON LIFE INSURANCE

Question No. 1,329—**Mr. Fisher:**

1. Was the superintendent of insurance ever asked by Professor J. J. Brown for figures concerning term or any other form of insurance as stated at page 136 of his publication "Life Insurance—Benefit or Fraud" and, if so, was such information provided?

2. Did the superintendent of insurance refuse to provide such information and, if so, on what grounds was such refusal made?

3. What was the percentage of term sold in Canada, by the Brown definition of it, in the last year for which the government has records?

Answer: 1. The department has no record and the superintendent of insurance has no recollection of ever having received such an inquiry from Professor J. J. Brown. If an inquiry was received, the information could not have been provided since it is not available from the department's records.

2. Answered by No. 1.

3. The data supplied by the annual statements of the companies deposited in the department do not show the amount of renewable and convertible term insurance separately from other term insurance; hence the information requested is not available from the department's records.

CONSUMERS ASSOCIATION REQUEST RESPECTING CANNED FISH

Question No. 1,341—**Mr. Orlikow:**

Is the government giving consideration to the request of the consumers association of Canada that the Department of Fisheries review government grades for canned fish sold in Canada, and to establish regulations to enforce the compulsory use of these grades?

[Mr. Laing.]

Answer: The department is aware of requests by the Canadian consumers association of Canada and will give close consideration to this matter.

RECOVERY OF CANADIAN PROPERTY IN POLAND

Question No. 1,350—**Mr. Kennedy:**

What action is the government taking to assist Canadian citizens to recover their property in Poland, which was lost to them due to action of the authorities of that country?

Mr. Martin (Essex East): Representations have been made to the Polish government through diplomatic channels with a view to negotiations toward a settlement providing just compensation for claims of Canadian citizens in respect of nationalized properties. There is at present no agreement between Canada and Poland on the basis for such negotiations but the question is under active review and every effort is being made to achieve some progress on these claims.

OWEN SOUND, ONT.—HARBOUR LADDERS

Question No. 1,352—**Mr. Noble:**

1. Has the Minister of Public Works been informed that the ladders on the walls of the Owen Sound harbour are not out of reach of anyone falling into the water, and may have contributed to a drowning there last week?

2. If so, would the minister give prompt attention to having these ladders lengthened as well as installing more ladder accommodation?

Mr. Deschatelets: 1. The department was informed of the condition of the ladders in a letter dated June 17, 1954, from the city clerk of Owen Sound.

2. Yes, the department has instructed the district engineer to take whatever remedial measures that are necessary.

*PROSPECTIVE LOSS OF ASSISTANT DEPUTY FINANCE MINISTER

Question No. 1,372—**Mr. Fisher:**

Has the Minister of Finance any indication that the government service is losing one of the assistant deputy ministers of the Department of Finance to private industry and, if so, has the minister any indication of the reasons for such a separation?

Mr. Benson: Mr. Speaker, the answer is no.

QUESTION PASSED AS ORDER FOR RETURN

JUSTICE DEPARTMENT LEGAL REPRESENTATIVES IN FEDERAL CONSTITUENCIES

Question No. 884—**Mr. Pigeon:**

For each federal electoral constituency, what is the name and address of each lawyer and notary

who has acted on behalf of the Department of Justice since April 22, 1963?

Return tabled.

[*Later:*]

On the orders of the day:

[*Translation*]

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, question No. 884 was made an order for return. That question was asked by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon). I understand he feels the answer or the documents brought forward in reply cover substantially question No. 909 and, therefore, he is prepared to withdraw that question.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): That is correct, Mr. Speaker.

[*Text*]

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

PRIVILEGE

MR. LANGLOIS—AWARD OF POSTAL CONTRACT TO DECEASED PERSON

On the orders of the day:

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I rise on a question of privilege in reference to the question I asked the Postmaster General last Friday about a contract that had been awarded to the original tenderer and has been extended, starting tomorrow, for another four years when there has been another bid this year at a lower price.

Last Friday the parliamentary secretary told me the minister would answer the question, and today I received a letter dated June 24 which reads:

[*Translation*]

This is in reply to your letter of June 12, to which was annexed a copy of a letter from Mr. Marcel Pinette, 524 Letourneau street, Thetford Mines, Quebec, who would like to tender for parcel delivery in Thetford Mines.

As mentioned in your letter, the present contract concerning this service expires on June 30. However, I must tell you that tenders will not be invited for the service, because we have authorized the contract renewal to the present contractor for a four year period commencing on July 1, 1964.

My question of privilege, Mr. Speaker, is to the effect that the minister has written in black and white that he has awarded the contract to the present contractor for a four year period, while this letter was written on June 24.

[*Text*]

I understand, Mr. Speaker, that the holder of this contract died a week ago last Friday. I do not know how the Postmaster General could award a contract to a person who has been deceased for a week and who, prior to that, was paralysed and in hospital for four months. Last Friday, Mr. Speaker, I said it would be cheaper to have a second tender called, but now I find that original holder of the contract was deceased at the time the minister wrote me this letter and at the time he granted a renewal of this contract for another four years.

In the light of the answer given to me by the minister I would ask him to clarify these points and inform the house as to the motive of the department in refusing to ask for new bids on this contract. At the moment I am under the impression—

Mr. Speaker: Order, please. The Chair must make up its mind as to whether there is a prima facie case of privilege. It is obvious that there is a ground for complaint, but as to whether there is a prima facie case of privilege I very much doubt, especially in the circumstances. However, the hon. member has made his complaint. I am sure it has been noted, and I am sure that steps will be taken to correct any injustice.

Mr. Langlois: I agree, Mr. Speaker; the only thing I should like to get clear is that if the minister does not clarify the point he either lied to me or he is completely incompetent to do the job he is doing now.

BUSINESS OF THE HOUSE

REQUEST FOR STATEMENT ON MEETING OF CABINET

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Prime Minister.

Does the Prime Minister have a statement to make to the house following the extraordinary cabinet meeting this morning to which he had convened all the ministers at nine a.m., including the Minister of Forestry who had to cut short his holiday in Italy?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there was nothing extraordinary about the meeting of cabinet this morning, and not all the ministers were recalled. There were some who were absent

who I asked to turn up because I thought they could cancel the engagements they had undertaken. The meeting was a normal meeting to discuss the situation with regard to a program for work in July arising out of the discussions in the house last Friday.

As a result of this cabinet meeting this morning, certain proposals were submitted by my hon. friend the house leader to the house leaders of the other parties. These proposals were, I believe, considered at noon today as a possible program of work during the month of July. I understand there is to be another meeting to continue these discussions tomorrow.

Hon. Paul Martineau (Pontiac-Témiscamingue): May I ask a supplementary question. Is it still the intention of the government to proceed with the flag debate before adjournment?

Mr. Pearson: Well, Mr. Speaker, perhaps I should not make a statement until the meetings have been completed. I understand they have been adjourned until tomorrow. I should not like to make any announcement until these meetings are completed, although an announcement will have to be made tonight, at the end of today's sitting, as to the business for tomorrow.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Can the Prime Minister tell us on what day or days the resolutions preceding the student loan legislation and the latest version of the Canada pension plan will be placed on the order paper?

Mr. Pearson: No, Mr. Speaker, I cannot tell the house the exact date. But this is also under consideration, as my hon. friend knows, in the timetable of priority legislation, and I can assure him that the legislation which it is agreed should be considered before the recess will be ready for such consideration.

INCOME TAX

QUEBEC—FEDERAL REFUNDS MADE TO PROVINCIAL MINISTRY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): In order to celebrate the elevation of the Minister of National Revenue I wish to ask him a kindly question. Would the minister inform the house why the income tax branch forwards refunds due residents in Quebec to the provincial ministry of revenue direct, and would he inform the house as to the legal basis for such an unusual procedure?

Mr. Speaker: May I suggest to the hon. member this is a good question for the order paper.

BELLEVILLE, ONT.—QUARTERLY PAYMENTS BY PENSIONERS

On the orders of the day:

Mr. Fred F. Stenson (Peterborough): Mr. Speaker, I would like to direct my question to the new Minister of National Revenue and at the same time offer him my congratulations on his appointment. Would the minister look into the problem that has been created by the tax department at the Belleville office? Many pensioners who for the last ten years have been paying their income tax at the end of each year now find themselves assessed a penalty for not remitting their tax every three months, yet these people have never had any notice that they should pay this tax quarterly. Does the minister not feel these people should have been informed of this before being assessed such a penalty?

Mr. Speaker: Order. I wonder if the hon. member would put this question on the order paper.

LABOUR RELATIONS

NON-OPERATING RAILWAY EMPLOYEES—INQUIRY AS TO CONCILIATION BOARD REPORT

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to ask the Minister of Labour whether he has received any communication from the railways as to whether they reject or accept the majority report of the conciliation board in connection with the non-operating employees dispute.

Hon. A. J. MacEachen (Minister of Labour): No, I have received no communication from the presidents of the railways.

BRITISH COLUMBIA—REPORTED SETTLEMENT OF SHIPPING DISPUTE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Can the Minister of Labour tell the house the basis upon which the dispute regarding the ship in New Westminster, was settled last week end? The minister will recall that members were disturbed by a dispute which had arisen over a ship, the *Alaska*. Press

reports said it had been settled, but no information has been given as to the basis upon which it was settled. I wonder if the minister could tell the house something about it.

Hon. A. J. MacEachen (Minister of Labour): My hon. friend will be aware that a representative of the board of trustees announced on the west coast that the matter had been settled. Basing my information on the announcement of the settlement, I may say that apparently the S.I.U. has agreed to withhold negotiations pending efforts by the trustees to create a seamen's union representing ships' officers in Canada. Officials of the merchant service guild and the Canadian transport and general workers have agreed to withhold attempts to reach an agreement or attempt certification on behalf of the officers of the vessel. The statement does add that the unions have found no common ground for agreement on the issues involved or on the proposed single union for officers.

However, the unions, apparently acting in the public interest, have agreed to suspend, or at least settle the matter at this stage, in an effort to prevent any disruption of shipping. This is all the information I have with regard to the settlement, and presumably it was with the voluntary consent of all parties.

Mr. Douglas: May I ask a supplementary question. In view of the fact that the matter has not really been settled and there has been merely a temporary armistice, may I ask the minister if the representative of the maritime trustees will continue to attempt to find some common ground so the matter can be permanently settled.

Mr. MacEachen: It would be my expectation that the trustees would continue their efforts to reach a long term settlement. It may be that the issue will hinge on a single union for officers. The trustees have already expressed their views on this matter. They have refused to recognize the establishment of S.I.U. jurisdiction over the officers on this particular ship.

Mr. David Orlikow (Winnipeg North): May I ask a supplementary question. Will the minister make inquiries concerning the story that the trustees ordered the unions concerned to stop picketing? If that is true, what right had they to do that? Will he also make inquiries as to whether the trustees approved the sending of engineers from Montreal to Vancouver to fill these positions, when there were unemployed engineers in Vancouver at the time?

Mr. MacEachen: Mr. Speaker, I understand that the trustees did issue a warning against picketing in the interests of calming the situation on the west coast. It is obvious that the trustees would have no jurisdiction over the longshoremen in this situation, so that whatever statement was issued in their connection would be purely an admonition. With respect to the second part of the question, I shall be glad to ascertain whether in fact the trustees were aware or did approve of this particular movement of officers from Montreal to the west coast.

HOUSING

INQUIRY AS TO MINISTERIAL RESPONSIBILITY FOR C.M.H.C.

On the orders of the day:

Hon. Léon Balcer (Three Rivers): May I ask the Minister of National Revenue, Mr. Speaker, if he will tell the house whether on the assumption of his new functions he is going to be responsible for C.M.H.C. in this house.

Hon. E. J. Benson (Minister of National Revenue): No, Mr. Speaker.

[*Later:*]

Mr. Reid Scott (Danforth): I have a question for the Prime Minister arising out of the reply of the Minister for National Revenue that he will not be responsible for the Central Mortgage and Housing Corporation. In view of the enormous amount of work which will be required to implement the far reaching changes we adopted recently with respect to the National Housing Act, would the Prime Minister consider the need to appoint a full time minister of housing in charge of a ministry of housing?

Right Hon. L. B. Pearson (Prime Minister): This would, of course, require legislation, and I cannot contemplate legislation of that kind, however important or desirable it might be, receiving the approval of the house in the immediate future. But I would be glad to give consideration to this request, because I appreciate the importance of the work.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Is the Postmaster General not responsible for the Central Mortgage and Housing Corporation? Was it not transferred to him some time ago?

Mr. Pearson: That is right. The Postmaster General is now responsible.

Inquiries of the Ministry

ROYAL CANADIAN MOUNTED POLICE

REPORTED INVESTIGATION RESPECTING HANDLING OF FUNDS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Minister of Justice. Is an investigation respecting funds going on within the R.C.M.P. and, if so, will the minister undertake to give the House of Commons a report on this matter so the good name and high reputation of this distinguished force will not be besmirched by a lot of speculation that may be unfounded?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, as there are always a number of disciplinary matters being investigated within the R.C.M.P. under the act and the regulations, I believe it would not be in the public interest if, for the moment, I were to divulge any of the matters presently being considered. However, I may tell the hon. gentleman and the house that to the extent that a report on the outcome of any such matter as has been alluded to may be given to me, I shall be pleased to report to the house.

Mr. Olson: As a supplementary question I would like to draw to the minister's attention that reports have already appeared in the press to this effect. Therefore I would ask him does he not think in fairness to the R.C.M.P. that some kind of statement should be made to exonerate the R.C.M.P. from this kind of speculation?

Mr. Favreau: As is well known, Mr. Speaker, the R.C.M.P. deals with all disciplinary matters in a way which is independent from the minister, although eventually reports have to be made to the minister on them. There is a minimum of intervention on the part of the minister at a certain stage, and I repeat that it would not be in the public interest if I were to comment on this situation now. For that reason any report which may have been given in the press ought to be considered as at least speculative.

INDIAN AFFAIRS

REQUEST FOR STATEMENT ON REPORTED NEW POLICY

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I have a question I would like to direct to the Minister of Citizenship and Immigration. When will the minister take the

[Mr. Pearson.]

members of this house into his confidence with respect to the government's proposed new policy on Indian affairs, as outlined by Mr. Walter Rudnicki, director of the welfare division of the department, in today's *Globe and Mail*?

[*Translation*]

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, I have examined the statements made by Mr. Rudnicki which only deal with minor changes in the policy of the department concerning Indian affairs.

I hope very soon that I will be in a position to announce a comprehensive program on the community affairs of Indians.

[*Text*]

Mr. Southam: As a supplementary question, would the minister advise the house at that time whether he will be prepared to make a statement on the establishment of an Indian affairs claims commission?

[*Translation*]

Mr. Tremblay: Mr. Speaker, the department is considering at present the requests and recommendations made by various Indian groups in this country and I hope to submit very soon changes in the legislation concerning Indian claims.

[*Text*]

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, may I ask the minister whether these statements, which he says were in relation to minor matters only, were policy changes.

[*Translation*]

Mr. Tremblay: No, Mr. Speaker, these are administrative changes only. As soon as a new general policy is established, I shall make an announcement to the house.

[*Text*]

FINANCE

TARIFF CONCESSIONS TO FOREIGN AUTOMOBILE MANUFACTURERS

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to direct a question to the Minister of Industry.

Could the minister tell us if any progress was made in the negotiations concerning tariff concessions to the Peugeot and Renault enterprises designed to facilitate their establishing themselves in the province of Quebec?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I dealt with that matter the other day and I would ask the hon. member not to question me on it.

Mr. Martineau: Mr. Speaker, I merely wanted to know whether any progress had been achieved in the negotiations.

Mr. Drury: Yes, Mr. Speaker.

Mr. Raymond Langlois (Mégantic): Could the minister tell us if the Peugeot and Renault company has already taken an option on some land in the Thetford Mines region where survey operations are now being carried out?

Mr. Drury: No, Mr. Speaker, I could not say.

[*Text*]

IMMIGRATION

REPORTED ADVICE TO BRITISH DOCTORS NOT TO SETTLE IN MARITIMES

On the orders of the day:

Mr. Gerald A. Regan (Halifax): Mr. Speaker, I would like to direct a question to the Secretary of State for External Affairs. Is the Department of External Affairs carrying out any investigation into the claim of the Dartmouth chamber of commerce that officials of Canada house indicated to three British doctors that they should go to other parts of Canada to settle, rather than the maritime provinces, because of the depressed economy in that area?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, this is the first time I have heard of this matter. I shall be glad to inquire into it.

DOMINION-PROVINCIAL RELATIONS

STUDY OF EFFECT ON CANADA OF SEPARATION OF QUEBEC

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question for the Prime Minister arising out of an answer he gave me on Friday regarding an inquiry into the economic effects of separation. In view of the statements by the Leader of the Opposition over the week end, I wonder whether the Prime Minister would consider making a statement of clarification on motions so that other members might comment upon it, and perhaps in this way set at rest the quite unwarranted fears being raised by the irresponsible statements of the Leader of the Opposition.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I shall be very glad to make a statement on motions tomorrow on this matter.

TRANSPORT

REPORT ON PROPOSED CROSSING OF NORTHUMBERLAND STRAIT

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I would like to direct a question to the Minister of Public Works and ask him whether he plans to table a report, recently made available to the government, regarding studies on a proposed crossing of Northumberland strait by means of a bridge or tunnel?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I do not think it would be in order at this time to table the report. Phase 1 report is now under examination by consultants, but as soon as it is possible to make any announcement with respect to this project this will be done immediately.

NATIONAL DEFENCE

POINT EDWARD NAVAL BASE—REQUEST FOR FURTHER REFITS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Associate Minister of National Defence. Would the minister be so kind as to give serious consideration to the possibility of having further naval refits allocated to Point Edward naval base to retard the weekly layoff of personnel now going on and assist in preventing the unemployment rolls from increasing?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I think I can inform the hon. member that although it would not be possible to have another frigate refitted at the Point Edward naval base, consideration is being given to having auxiliary vessels refitted there.

COMPLAINTS RESPECTING PROCEDURES FOLLOWED IN STAFF REDUCTION

On the orders of the day:

Mr. K. H. More (Regina City): May I address a question to the Associate Minister of National Defence, who I understand is the minister responsible. In the light of complaints about the procedures being followed or not being followed with regard to the reduction of defence staff, is the minister reviewing this situation, and will he be making an announcement in the house shortly so that

the fears of many people in the defence forces who have mortgages and other payments to meet may be allayed? I am receiving information personally that a great many of these people are disturbed. Seniority is not being completely followed, and they feel there is discrimination. I know the minister has received complaints. I wonder if he would review these procedures and make a statement to the house in clarification of this situation.

Hon. Lucien Cardin (Associate Minister of National Defence): No complaints have been made to me personally. However, I would be happy to look into any complaints which the hon. member may have received.

ARMAMENT OF EUROPEAN AIR DIVISION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Minister of National Defence when he is going to fulfil his obligation to make the Canadian air division in Europe an effective fighting force. I ask this in view of news reports that it has no armament, nuclear or conventional, at the present time.

Hon. Paul Hellyer (Minister of National Defence): I must advise the hon. gentleman that he should not give so much credence to news reports. No. 3 wing and No. 4 wing in Europe have been operational for some time.

Mr. Churchill: Does that mean they are equipped with nuclear arms and that some of the planes are standing on quick action alert?

Mr. Hellyer: That is correct.

[*Later:*]

Mr. Churchill: I should like to ask the Minister of National Defence a further question concerning the air division in Europe. How many of the squadrons of the air division in Europe are armed with conventional weapons? If there are none, is it his intention that some of them shall be so armed?

Mr. Hellyer: The policy has been clearly stated a number of times. The primary role of squadrons in Nos. 3 and 4 wings will be a strike role and they will have a secondary non-nuclear attack role. The primary role of the squadrons stationed at No. 1 wing at Marville will be reconnaissance. They will have a secondary, non-nuclear support role.

[Mr. More.]

Mr. Churchill: Would the minister mind answering my question? Are any of the squadrons now equipped with conventional weapons?

Mr. Hellyer: All squadrons in No. 1 wing are being equipped with reconnaissance equipment. I do not know whether this qualifies in the hon. gentleman's terminology. If he means other non-nuclear weapons, the answer at this moment is no.

Mr. Churchill: Does a photographic camera come under the heading of conventional weapons?

Mr. Hellyer: I do not really know, after the hon. gentleman's opinion with respect to what small arms were; I am not sure how he uses this terminology.

AGRICULTURE

QUEBEC—REQUEST FOR INCREASED MILK SUBSIDY

On the orders of the day:

[*Translation*]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to put a question to the Minister of Agriculture. I am sure he followed with great interest the march on the Quebec legislature of 12,000 or 15,000 farmers and that he noted that approximately 10,000 producers of fluid milk obtained an increase of 20c. per cwt. on the milk they sold $5 per cwt. This is my question. Does the minister intend to recommend an increase of 20c. per cwt. for the 60,000 Quebec dairy farmers who at present obtain from $2.80 to $3 per cwt. for their milk, before those farmers decide to march on parliament in Ottawa.

[*Text*]

Hon. Harry W. Hays (Minister of Agriculture): In answer to the hon. member's question, tomorrow I will prepare a report on the basis of figures from the Canadian bureau of statistics giving the exact price for milk. I believe he needs more information. The price is much better than he insinuates.

[*Translation*]

Mr. Vincent: Mr. Speaker, may I ask the minister to forward this information to the farmers who are now getting ready to come to Ottawa?

[*Text*]

CONSIDERATION OF PROPOSED CROP REINSURANCE LEGISLATION

On the orders of the day:

Mr. George Muir (Lisgar): I have a question for the Minister of Agriculture. Would the minister tell the house whether it is his intention to proceed with the crop reinsurance legislation before the start of the summer recess?

Hon. Harry W. Hays (Minister of Agriculture): I suppose a lot would depend on how we progress with the present legislation.

Mr. Raymond Langlois (Mégantic): Would the Minister of Agriculture consider extending these crop insurance provisions to cover eastern farmers, too?

Mr. Hays: The crop reinsurance bill will apply to all the provinces and all the farmers in Canada when it is passed.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, following the questions already asked, I should like to direct a supplementary question to the Prime Minister. In view of the urgent problem to be settled, is it the intention of the government to put on the order paper, before the summer recess, a measure concerning feed grain, so as to assist the eastern farmers?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): The program of work before any summer recess can be considered is now, as I have just said, under consideration by house leaders.

Mr. Muir (Lisgar): A supplementary question to the Minister of Agriculture. Would he inform the house whether the crop reinsurance legislation is on the priority list to be dealt with before the summer recess starts?

Mr. Hays: I do not think this will be dealt with before the recess.

CANADIAN BROADCASTING CORPORATION

INQUIRY AS TO RESIGNATIONS FROM PUBLIC AFFAIRS STAFF

On the orders of the day:

Mr. Erik Nielsen (Yukon): Would the Secretary of State now answer a question, which I am sure he had time to inquire into over the week end; that is the question I asked him on Friday concerning whether resignations had been tendered by some C.B.C. staff over the Pearson film fiasco?

Hon. Maurice Lamontagne (Secretary of State): I am informed by the C.B.C. that the answer is still no.

TELEVISION

FILM ON PRIME MINISTER—OFFER BY INDEPENDENT NETWORK

On the orders of the day:

[*Translation*]

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I would like to reply at the same time to the question the hon. member for Port Arthur (Mr. Fisher) asked me last week. I received the following information from the Canadian Broadcasting Corporation. The C.B.C. has already informed the house that its board of directors had decided not to show the said film. The board of directors feel that to sell the film would simply run counter to the decision already taken.

[*Text*]

WORLD FAIR

ARRANGEMENTS RESPECTING APPLICATION OF TAXES

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask the Minister of Trade and Commerce a question of which I gave him notice.

Following his interview in Ottawa with the representatives of the city of Montreal and the Quebec government, can the minister tell the house whether an agreement has been reached regarding the taxes which will be levied on the exhibitors at the world fair by the three governments?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): As a result of the meeting referred to by the hon. member, the federal government has announced to the public the way in which taxes will be applied to foreign governments, provincial governments and commercial exhibitors. My understanding is that the provincial government in so far as sales tax and income tax are concerned are applying similar rules, and the city of Montreal will probably do likewise. So I can say to the

hon. gentleman that we have reached agreement as to the appropriate taxes to be paid, and we are trying to work them out in parallel.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I wish to put a supplementary question to the Minister of Trade and Commerce, in his capacity as minister responsible for the world fair. Does he intend to grant the request made by public bodies and exempt exhibitors from the 11 per cent sales tax on building materials?

[*Text*]

Mr. Sharp: As far as foreign and provincial governments are concerned, the 11 per cent sales tax does not apply. It would only apply to commercial exhibitors, and there is no intention at the present time of exempting them.

SHIPPING

PARTICIPATION IN MICHIGAN CONFERENCE ON WATER LEVELS

On the orders of the day:

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Prime Minister. Knowing that meetings are now taking place and will take place in the next few days concerning the water level in the great lakes and in Montreal harbour, can the Prime Minister tell us whether the government of the state of Michigan has invited the Canadian government to attend the said meetings?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I will look into it. I know of no invitation to any such meeting.

NORTHERN AFFAIRS

ALASKA HIGHWAY—INQUIRY AS TO NEGOTIATIONS WITH UNITED STATES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Can the minister inform the house whether the negotiations between Canada and the United States with respect to cost sharing of the Alaska highway improvement are yet concluded; and if not, is an early conclusion contemplated by the minister?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, there is no question of conclusion at the moment, because the discussions with the United States are just starting. In addition, the Department of Public Works is making a survey of the highway as it exists today, to get some estimate of the requirements which might be necessary in relocation and with regard to costs of improving and even paving those sections that can be paved or are ready for paving at this time.

PARLIAMENT BUILDINGS

ERECTION OF SCAFFOLDING OUTSIDE PEACE TOWER

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to direct a question to the Minister of Public Works. Because it affects something that is happening right now, I hope Your Honour will allow me to ask the direct question at this time. All members coming into this house see the concrete work that is going on outside the peace tower, and I would like to ask the Minister of Public Works whether this contract was let on a time, material and profit basis. I think it is an important question, because every morning when I arrive at 8.30 I find they are rebuilding this tubular scaffolding, and they take it down at night. Why in the name of heavens, on a job like this, would you tear down the scaffolding every night and rebuild it the next morning?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I think I should take this question as notice and report to the house tomorrow.

APPROPRIATION BILL

PROVISION FOR INTERIM SUPPLY

Hon. G. J. McIlraith (for the Minister of Finance) moved the second reading of Bill No. C-105, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1965.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. Nowlan: Mr. Chairman, pursuant to the understanding which we had late last Friday afternoon when we passed the resolution preceding this bill, when it was understood by the house that we would be able, on the first clause, to discuss matters of general

importance in the same manner as we could had we the resolution before us, I shall speak for a very few moments—and I emphasize "a very few moments"—not because the matter to which I am going to draw the attention of the committee is unimportant but because I know there are other members of the committee who wish to speak on this matter. I do not want to take up too much time, so other members may be able to deal with this matter fairly quickly.

I am glad the Minister of Industry is in the chamber because I wish to refer particularly to the matter of industrial development, to which reference has been made from time to time, with particular reference to the province of Nova Scotia. This matter has been discussed at various times, and it was discussed particularly during the last election campaign. I am not going to take up the time of the committee by putting on the record lengthy statements which were made by hon. members opposite in connection with this matter, but I am going to give one or two short quotes. I hope that as a result we will have not only a discussion by hon. members on this side of the chamber but also by some on the other side including the Minister of Industry.

During the last election the then leader of the opposition, now the right hon. Prime Minister, said that a federal agency for the development of economically backward areas would be created by this government. He also said that these areas would prosper with the rest of Canada if Liberal policies were carried into effect. He went on to say that a few parts of Canada would benefit especially, such as the maritime provinces, if this legislation were enacted.

The present government took over the treasury benches and various steps were taken. The Minister of Finance brought in certain incentive legislation to provide an impetus to the establishment of industry in the maritime provinces and other areas of Canada. I am not sure of the value of those incentives. This has yet to be proven, because the incentives will depend upon the co-operation of the federal government, provincial governments and particularly private industry. It may be they will have some effect and purpose; it may be they will not.

We are now facing a situation in this committee where the minister who is responsible for the inauguration of these policies, the minister who is responsible for the development of these areas, made a statement in the house, or outside it, a short time ago with reference to certain contracts which were applicable to the maritime provinces and to Nova Scotia, saying that these would be terminated and the subject matter of the contracts would be transferred to other parts of Canada, and in one particular case to the province of Quebec. We have heard these ancient arguments—

Mr. Drury: Mr. Chairman, did I understand the hon. member to say that I had made a statement in the house to the effect that this was going to be done?

Mr. Nowlan: I am not sure whether the minister made the statement in the house, but he made a statement to the effect that certain contracts would not be renewed and that the basic work which had hitherto been carried out in this area would be transferred. In the case of one firm in Nova Scotia, Fairey Aviation, this work would hereafter be transferred to another part of Canada.

We in Nova Scotia have been rather surfeited with the ancient arguments as to why industry could not be established in the maritimes, and Nova Scotia in particular, to the effect that it was too far removed from the centre of Canada and that transportation costs are too high; therefore, unfortunately, it would be impossible to establish or maintain industries in the province because of the geographical factor.

This particular contract to which I have made reference has to do with equipment and material manufactured for anti-submarine work. It has to do with contracts which have heretofore been carried out by plants on the Atlantic seaboard, particularly the plant of Fairey Aviation Company on the Atlantic seaboard, which supply and furnish material for anti-submarine work on the Atlantic coast and in the Atlantic ocean. There is always the necessity for anti-submarine precautions on both coasts, but I think the members of this committee and the public generally would agree that there is a greater need for the development of anti-submarine projects on the Atlantic coast.

So there we have a plant which is efficient, which employs a large number of people, and which is producing material and equipment required at its very door. There can be no question of transportation costs there. There can be no question of being removed from the market. It seems to me very ironical, in fact it is the height of irony, that the minister responsible for the development of these great programs for these areas which they promised is the one who has stated that some of these contracts would be terminated.

It is true that since then he has said in the house that this decision would be reconsidered, and that gives us some ground for optimism and for hope. For we know from our experience of this government that when a certain matter is reconsidered the policy is usually reversed and something else is developed, so we have some reason to think that having said they will reconsider the matter we will have these contracts re-established on the Atlantic coast.

This is only one example of several which could be given, but I will not take the time of the committee by going into other areas. However, I should say by way of explanation that I am not suggesting for a moment that the province of Nova Scotia is necessarily one of the backward areas to which general references were made during the election campaign. When you read the record of what occurred last week in Nova Scotia and realize that the premier of the province took part in the inauguration of a huge refinery costing millions of dollars and in the opening of another fishery plant costing, I think, $10 million, you could hardly state that Nova Scotia was a backward area. But we do say that when this government was in opposition they promised the policy, a policy which appealed to the people, that they would inaugurate projects to assist that area. This particular industry—and this type of manufacturing has particular appeal—is centred in an area where all the advantages are in its favour, and we do not propose to have the old argument that it is away from the market and so on re-established or repeated.

In addition, we do not propose to have re-established in other parts of Canada industries which have been established in our part of the country; industries which are successful, efficient and economic, and which should have the support of the government. The government of which I had the honour to be a member saw that the company to which I have referred received contracts in that area for development of anti-submarine work because it was a company particularly fitted to do this type of work, one which, as I said, had the market at its very door.

We have succeeded in establishing various industries in this region. A question was asked this afternoon—indeed several questions have been directed to the minister in this connection—regarding the establishment of an automobile plant somewhere in Canada. We blazed the trail and established an automobile plant in Nova Scotia; a great international company set up a plant there. We hope the present government will be successful in establishing plants wherever they may deem advisable in other areas; but in this particular instance we are dealing, as I said, with an area which is particularly qualified to serve a particular industry, and we do not intend to stand idly by and see contracts which have been in Nova Scotia for some time and for which the firm concerned is especially fitted and suited transferred to other parts of the country, or to see the industrial life of Nova Scotia diminish at the expense of other parts of Canada.

That is why I am speaking briefly to this matter, and I speak briefly because I realize other hon. members have other matters with which they wish to deal. The minister may, if he likes, reply now, or he may wish to hear other references which will be made. With that I will leave this particular matter at this time because, as I said, there are other hon. members who may have something to say in connection with it.

Mr. Coates: Mr. Chairman, I have listened with close attention to the remarks of the hon. member for Digby-Annapolis-Kings, and I can assure you that what he has said regarding Nova Scotia in particular and the maritime provinces in general has my full support and, I am sure, the support of all members of the House of Commons who come from that part of Canada.

My constituency of Cumberland finds itself in a position not dissimilar to the constituency of Halifax with regard to cut-backs in defence work. I would also say that the situation in my constituency is not dissimilar to that of many areas in the maritimes. The hon. member for Digby-Annapolis-Kings made mention of the statements of visiting politicians during the 1963 election campaign, and to the pie in the sky atmosphere they endeavoured to create in our area of Canada regarding the great and wonderful things which would be done if only a Liberal government were elected to office. Well, Mr. Chairman, I think the people of the maritime provinces have now had a taste of a Liberal government after watching one in action for a year, and after having seen a Conservative government in action for six years prior thereto. I am sure if given the opportunity they would far rather have the pie in the sky which was offered and contributed to by the Conservative government than the type of pie which has been provided by the present government during its short stint in office to date.

Not only that, Mr. Chairman, but if we go back beyond 1957—I do not want to take a great deal of time in going back to the 22 years of Liberal government this country was forced to put up with—I am sure many will recall statements made by Liberal speakers of the day who told us that while they could not attract industry to our area, they would assist us by establishing national defence projects which would give stability to our economy. Even though we would not be allowed to have the type of living which might be available to other areas of Canada, we would be provided either with a lower standard of living which we would get used to or we would be provided with a one way ticket out.

Now, unfortunately, we find ourselves in the position where another Liberal government is cutting back on the very thing which they once told us would form the base of our economy, namely defence establishments. Over the years a great many defence establishments have been located in the maritime provinces, and certainly they have provided a great deal of employment for the people. In many instances defence establishments were located in areas where other types of employment were not available and in many cases still are not available to the people. All of a sudden the government finds it is not able to balance the budget as it told the people of Canada it was going to do. It is not able to do a great many of the things that it told the people of Canada it was going to do. As a matter of fact, it is so hard pressed for money that it has started to cut back on the commitments made by the former Conservative administration with regard to national defence. In making these cut-backs it has not shown the consideration it should have for the maritime provinces as a particular area of Canada where chronic unemployment is a factor that must be given special consideration. It has proceeded to cut back and slash defence contracts, and thus throw people out of work in areas where they cannot just walk down the street to another plant and secure the employment they desire.

At the same time the province of Nova Scotia, as the hon. member for Digby-Annapolis-Kings has stated, has been pushing forward and doing a tremendous job locating new industries. But it would be difficult indeed for the province to keep pace with the cutbacks and lay-offs that have taken place in Nova Scotia since this government took office. There must be a change of attitude on the part of this government or Nova Scotia, even with the enlightened leadership it is receiving from Premier Stanfield and the great industrial growth it is experiencing at the present time under his leadership, will still encounter tremendous difficulties because of the slashes now being made in a very unorthodox way by the present government.

I should like to deal specifically with what has happened in my area since the government took office, and compare the situation with what took place during the period we held office. In this regard I should like to quote from *Hansard* for May 5, 1964 at page 2963 when, during the period between 10 and 10.30, I raised this matter. I brought to the attention of the Minister of Industry the problems that were being created at Enamel and Heating Products aircraft division at Amherst as a result of the lack of overhaul and repair work from the Department of Defence Production. At that time the minister had this to say among other things:

> Seeing this coming, the Department of Defence Production has encouraged aircraft overhaul organizations to seek production sharing work and has been prepared and has in fact provided considerable assistance to firms in securing contracts on a competitive basis with United States firms.
>
> As the hon. member for Cumberland has pointed out, Enamel and Heating Products Limited have been more than usually successful in this particular regard. In this field they are one of the more enterprising and more successful companies. The Department of Defence Production has been concerned to see that the base from which they make their competitive bids in the United States will continue in operation, this base being provided by contracts from the Department of Defence Production for overhaul and repair of R.C.A.F. aircraft.
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> I am glad to be able to tell the hon. member that agreement has been reached with the company on what I think is a workable arrangement, a workable and practicable level of work which will enable them successfully to carry out the contracts in the United States.

I was very pleased with the statement made by the Minister of Industry in the house that evening. Indeed, I am not saying at this time that he is any less enthusiastic about keeping the word he gave me that evening than he was then. But I must say to him, and I am sure he will agree I am being fair, where is the work? Having had a good deal to do with the securing of contracts for this plant, I realize that you do not make a decision today and have it carried into effect tomorrow. That is not the way contracts of this nature develop. At the same time, however, that was May 5; we have almost reached the 1st of July, and the men who were laid off at that time are still unemployed. The company is still without the necessary work load to enable it to achieve

the necessary production costs to honour its commitments so that the company will not face bankruptcy.

I do not know just where the matter stands now, but I do know that when I was home recently I found that the employees of that plant were in a great state of consternation as a result of the long lay-off which they had not anticipated once the minister's statement had been made. I found the union, which is endeavouring to negotiate a contract with the company at the present time, in a very difficult position with respect to its members. I have no doubt that the management of the company are in a most difficult position with regard to the union. How can the company negotiate a wage contract with its employees when it has no idea exactly where it is going to stand tomorrow or the next day or the day after? I also had my attention directed to a copy of a telegram which was sent to the minister and which reads as follows:

> Following your pronouncement in the House of Commons on May 5/64 we received advice from your department as well as Canadair that steps were being taken to restore our defence activity to a work level and we passed this information on to the union to maintain excellent labour relations, but as a result of the long delay they are becoming quite restless and losing confidence in our promises.
>
> Furthermore, acting on this promise we proceeded with negotiations with American contractors and have so far received additional American contracts for about a million dollars but due to the delay and the large loss we suffered in operations in May and so far this month we will have to take steps to abandon these contracts and lay off further men in order to husband our resources as well as effecting the economies in every direction including the cancellation of our participation in the Department of Trade and Commerce Glasgow fair and other foreign exhibitions. At the request of your department we have withheld giving information to newspapers and other government circles, but Fairey is evidently supplying newspapers with considerable inside information and in as much as Halifax is one of the most prosperous areas in the maritime provinces and receive the largest proportion of government expenditures we feel that the Halifax newspapers who advocate assistance to depressed areas are giving every good reason why the proposed contracts should be placed with us immediately even at the expense of Fairey because we are operating in a depressed area.

Certainly there is no good news for the minister in that telegram. There is certainly no good news for my area if this company should follow through with the allegations made in the telegram. It would be a dark day indeed for the county of Cumberland if the aircraft division of Enamel and Heating were to close down and throw out of work what remains of the usual work force of 265 people.

[Mr. Coates.]

At the same time this plant, which has a rolling mill division in my constituency, suffered a great misfortune through fire last Wednesday, June 24. The result will be that another 200 employees will be out of work in my constituency. I do not know for how long they will be out of work. Certainly this is a substantial operation and has been a very successful one. There are a tremendous number of contracts, as the minister is aware, waiting to be filled. The damage to the equipment by fire will delay the filling of these contracts, and I do not know how long we will have to wait before the operation will be revitalized.

I should like to make a few more comments about the aircraft division which I hope will give the committee an understanding of the aggressiveness that was displayed by the management of this firm during the period we were in office, and even today. If I may refer back to the telegram from which I just quoted, mention is made of the fact that the company recently secured another $1 million worth of work from United States firms under the defence production sharing arrangement. I should like to quote some figures to give an idea how this firm has procured progressively a greater amount of work from United States firms, and what the result has been from the defence production point of view with regard to the aggressiveness they have shown.

In 1961-62 government contracts coming from the Department of Defence Production amounted to $1,540,000. This was coupled with defence production sharing contracts amounting to $223,000, making a total of $1,763,000 worth of contracts in the plant in that year. In 1962-63 the Department of Defence Production provided $1,500,000 worth of contracts for the plant and the company secured $165,000 in production sharing contracts from firms in the United States, for a total amount of $1,665,000. This was the last full year we were in office.

In 1963-64 the amount of work secured from the Department of Defence Production was cut from $1,500,000 to $575,000, almost by two thirds. However, the company managed to secure contracts from the United States amounting to $1,243,000, which gave them a total of $1,818,000 for that year. In 1964-65 they suffered still another cut in the amount of work available from the Department of Defence Production. The amount they received directly from the defence production department amounted to $384,000, but they managed to secure $1,305,000 from

United States firms, giving them a total of $1,689,000.

Now, if I may give the comparison of production sharing work on a percentage basis, I think we will have a still better indication of the aggressiveness displayed by the management. In 1961-62 it was about 13.5 per cent; in 1962-63 it was less than 10 per cent; in 1963-64, it was 68.5 per cent, and in 1964-65 it will be over 75 per cent. When you compare this with what is happening today you almost wonder if the plant management would not have been better to sit on their fannies and let the government feed them work rather than go out, as they have done, into the United States to obtain work so the plant could be kept in operation. In other words, every time the company secured a contract from the United States as a result of its own aggressiveness, work was taken away from it by the Department of Defence Production in Ottawa. This is not exactly the type of reward one would expect the plant management to receive for outstanding effort in securing work.

I noted in the Saturday edition of the Halifax *Chronicle-Herald* that one of the Halifax members indicated he was making application to the government in the hope that there might be a solution that would allow Fairey Aviation of Halifax to keep the Argus repair and maintenance contract and subcontract the work out to Enamel and Heating, thereby providing them with much needed work if they are not going to close their doors as a result of high production costs which would result in the cancelling of the contracts now on hand from the United States firms.

The hon. member is to be commended for coming forward with a solution that might provide employment both in his area and in mine. However, I should like to say this. I do not usually throw cold water on a suggestion of any hon. member which might benefit the economy of Nova Scotia. However, I found in my dealings with the Department of Defence Production during the time I was a supporter of the government that there was always a great deal of difficulty associated with subcontracts. Enamel and Heating have had subcontracts with Fairey Aviation in the past and they have not worked out so far as I am concerned. As a matter of fact, I took steps to try to have the work come forward from Ottawa as a firm contract rather than as a subcontract so that difficulties would not develop between the two firms.

My view is that we in the maritime provinces need all the defence work we can possibly get. Far be it for one firm in the maritimes to be fighting with another firm in the maritimes about how much work either one of them has. I believe this situation develops when you have subcontracts of the type that must be awarded to these firms when either firm might be able to do some of the work.

Then one firm says "I should be doing that work" and the other firm says "No, according to my contract it is quite justifiable for me to do this part of the work; therefore I am going to do it." That is the only concern I might have with the possible solution put forward by one of the members for Halifax.

There is a lot of merit in what he is endeavouring to do, and a solution must be found because both areas of Nova Scotia are going to suffer substantially unless we are able to secure a work load for our defence and aircraft plants that will allow those people presently employed in the plants to continue working. Certainly I think members from the Halifax area would be most concerned in view of the fact that only recently the Blandford radar base was closed and a great many people were thrown out of work.

If they are to be faced with another lay-off on top of the problems they already have with regard to the shipyards and unemployment related to shipbuilding, mainly as a result of the cancellation of the all purpose frigate program, they must appreciate, as I do, that the economy of our area cannot stand the knockout punch it is receiving from one cut-back after another.

I would like to make a special appeal to the Minister of Labour, who is our Nova Scotia representative in the cabinet, to endeavour to get construction of the penal institution at Springhill started as quickly as possible. A great deal of needless delay has been associated with this project, mainly resulting from patronage, something which should never have entered into the matter. We are now a year behind the scheduled construction of that institution and we are still without a firm date for the beginning of construction, and this in an area that must have the sympathy not only of the Minister of Labour but of people in all areas of the country. I refer to the hard luck town of Springhill which is so valiantly fighting back from almost complete disaster. I hope the minister will get together with his colleagues in the cabinet to see to it that tenders for this institution are called early in July and that

work is undertaken as quickly as possible thereafter.

I know there are other hon. members from Nova Scotia who wish to take part in this debate. I hope they will emphasize as clearly as possible that Nova Scotia cannot continue to see a government effecting cut-backs in almost every area of defence. The province is only able to continue because of the very aggressive leadership it is receiving from Premier Stanfield.

Mr. Regan: Mr. Chairman, I would like to say a few words on the general subject mentioned this afternoon by the hon. member for Digby-Annapolis-Kings, and to touch on a few of the comments made by the hon. member for Cumberland.

There is no question but that because of the nature of scientific developments and the easing of tensions there have been some cut-backs in defence spending during the past two years. We in the Nova Scotia area, being adjacent to the sea, were in the position that a substantial portion of the amount of money spent on defence was expended in our area. A substantial portion continues to be spent there, and I was somewhat appalled to hear the hon. member for Digby-Annapolis-Kings suggest that the defence cut-backs were something new, something that had occurred only since the Liberals came into office.

I recall only too well that in years gone by, when the hon. gentleman sat on the treasury benches, he said that Camp Aldershot, located in his own constituency, would never close so long as he was in the government, but in time the only sound of marching feet in the Aldershot area was that of the army of the unemployed. The changing needs of scientific warfare and of our national security will always be such that military expenditures and military bases will come and go with the changing techniques.

I think all of us on this side of the chamber would agree that government defence funds should not be spent for the sole purpose of charity. While we in the Halifax area felt it was extremely unfortunate that the radar station at Beaverbank had to close, I think no one in Beaverbank would suggest that the base should be kept open at government expense if it were serving no useful purpose to the security of our nation. It is true that we have had some cut-backs in the field of defence expenditures in Nova Scotia, but if one looks at the national percentage of defence cuts that have occurred as a result of the easing of tensions one will find that we in Nova Scotia, percentagewise, had a very high allotment of defence spending in that area and we suffered a smaller percentage cut in expenditures than many other areas in Canada. Of course on the other hand, because so much of our economy is based on the defence industry it can be more severely affected by cuts.

One has to look at the over-all economic picture. Despite the defence cut-backs that may have occurred in the Nova Scotia area, today the unemployment level in the province of Nova Scotia is lower, and substantially lower, than it was at any time during the years of the Conservative government. That, I suggest, is an over-all test of the policies of the government. I think the area development agency and the Department of Industry in general have been looking very carefully at the needs of Nova Scotia, as well as those of other regions, and I have very high hopes for this department and believe it will result in great benefits to our area.

At the present time we do have an unusual situation in defence cuts, involving Fairey Aviation and Enamel Heating, and I am fully in sympathy with the aims of the hon. member for Cumberland in maintaining employment in the Amherst area as well as in the Halifax area. Enamel Heating, like Fairey Aviation, has been an efficient plant, a plant that greatly aided the economy of the province. Unfortunately the aircraft industry in Canada today is such that across the country bases dealing with the overhaul and repair of aircraft have had to make serious cuts in employment. Some of them have gone completely out of business, and I believe the over-all cut-back in the amount of work available has been in the vicinity of 45 per cent. Fortunately these cut-backs were not felt in Halifax prior to now, and I am confident that when the minister has ample and full opportunity to explore all the elements of the matter no cut-backs will occur at this time.

We are in this position; while we in Nova Scotia accept cuts in defence spending when they are necessary, that is when a program is being phased out or when a weapon is found to be obsolete, we feel it should be the policy of any government to spend as large a portion as possible of defence production funds in the maritime region, and that industries in the area connected with defence production should receive priority. Otherwise the whole idea of the program of the Atlantic development board and other such bodies would be meaningless. So, while we say we

accept cut-backs in defence, we cannot accept proposals to transfer defence expenditure out of the maritime region to other regions. What we have we hold, in the field of defence expenditure. This must be the case if the economy of the maritime region is to have an opportunity to develop and become less and less dependant on government spending. This must surely be our policy in the maritime provinces because of the necessity of making cuts in other areas of the defence field.

With regard to Fairey Aviation, I wish to say that this industry was established in Halifax by the previous Liberal government. It is an efficient industry with a wonderful record. It has provided a great deal of employment, and today continues to provide more employment than all the industries set up by Industrial Estates in Halifax, Kings and Colchester counties put together. I do not say this in order to belittle in any way the efforts of Industrial Estates, because it is a fine organization—

Mr. Nowlan: Would the hon. member give us the figures of employment in Fairey Aviation as opposed to the industries which have been assisted by Industrial Estates? Let us have the figures.

Mr. Regan: The hon. gentleman is interested in figures, and that is good. But I was speaking of industries which were established. He referred to industries which were assisted. For instance, E. M. I. Cossor Ltd., in Dartmouth, was also established and brought into the constituency by the previous Liberal government. It was transferred from one plant site to another at a later time, but it was brought into the area by a Liberal government. It was in production in the Halifax area for some years.

Mr. Nowlan: Could I have an answer to my question?

Mr. Regan: The hon. gentleman would like to have the exact figures. I will tell him that employment at Fairey Aviation is now in the vicinity of 750. While I cannot give him the exact figure for each of the small industries which have been established in those three counties, I suggest that if he takes the trouble to take the whole group and add up the numbers employed, he will find the result will not come to a larger number than 750 in those three countries. I would be very happy to hear from the hon. gentleman when he has done that.

As I was saying, Fairey Aviation has been a very important part of our economy, and we feel it must receive special consideration from the government accordingly. The Enamel Heating plant has an enviable record in the maritime provinces, and I want to say here and now that I am in a position, from conversations I have had, to know that contrary to the words of the hon. member from Cumberland, who seems to be expressing concern about employment at Enamel Heating a little late in the game, the Minister of Industry and Defence Production has been particularly concerned for some time about the problems of Enamel Heating and has been making every effort to find contracts for this plant at Amherst.

I would also say on the question of the Argus program, which has been discussed here today as it affects Fairey Aviation, that the company has itself shown every interest and desire to be of assistance in helping Enamel Heating. It is, perhaps, the problem of Enamel Heating which brings this question to the fore.

I wished to say these few words on the subject because I think it is a matter of great interest to Nova Scotia. While over the years we in this area have received a great amount of defence expenditure because of our geographical position on the coast, at this time, when some programs have had to be phased out, it is extremely important to us that no contracts should be transferred out of the maritime region. The partial transfer to Enamel Heating of some work from Fairey Aviation may be considered in a different light entirely.

But even as the United States government has followed the policy of attempting to spend government funds on defence production and other government programs in areas of lagging development, I suggest the same policy must surely be followed here in Canada; and I am confident that this government, which has done so much already for the Atlantic region, as exemplified by funding the Atlantic development board with $100 million as well as by other similar provisions, will show the same concern in the matters now under consideration. I am sure the action of the Minister of Industry and Defence Production in carrying out a full and lengthy investigation into this whole problem shows his concern and his willingness to try to work out some policy which will be equitable for us and result in satisfaction for all.

Mr. Muir (Cape Breton North and Victoria): I should like for a few minutes to take part in this debate. Undoubtedly the Prime Minister will classify this as obstruction—

Mr. McIlraith: Shame.

Mr. Muir (Cape Breton North and Victoria): There are those who take that view. I wish the silent member over there who never gets to his feet would not interrupt me. There are those who say we are obstructing business when we speak in this house. However, this is a subject of serious import, and those who are affected by it would not consider my intervention as obstruction. I might refer to the hon. member for Halifax—how am I to distinguish him; the one with the least hair?—who mentioned the closing of defence establishments and was shocked, he said, to hear that the member for Digby-Annapolis-Kings had had something to say about it. Camp Aldershot had closed, and so on; the former minister, my hon. friend from Digby-Annapolis-Kings had said it would not close.

Well, for the information of the hon. member for Halifax (Mr. Regan), a former minister of national defence—I think his name was Campney; he went out of the house in 1957—announced the intention to close Aldershot, but it was continued for some time after that. This was when the great movement was on to Gagetown. I think the hon. member for Halifax (Mr. Regan), was as far at sea with regard to that as he was with regard to some of the other matters he mentioned. He said, somewhat vehemently, "What we have, we hold". I understand that he is now, along with other members from Nova Scotia, making an attempt to hold some of the things which came to Nova Scotia during the period 1957-1963.

I should like to say something now about the ferry service at North Sydney. On March 14 there was a board of trade meeting at North Sydney, and an annual dinner. The chief entertainment for the evening was provided by the Minister of Transport, who was the guest speaker. Incidentally, I hope he is feeling much better. I regret he is not in his place today. I understand he is quite sick. I hope it will not be long before he is back again and in a position to read the remarks I am making now, and provide us with some sort of answer. At that annual dinner the food was good, but the entertainment was not very good. On that occasion the minister announced that there would be a ferry operating between Argentia and North Sydney. This was one of the projects for which money had been put in the estimates by the previous administration; it was also one that had been announced by the former minister of transport during the latter part of last year, before he was demoted. Then the Minister of Transport went to North Sydney and reannounced it. Plans for this project had been under way for many months. The unique part of his remarks are reported in the Halifax *Chronicle-Herald* of March 16, the Monday edition, and I should like to quote from that newspaper:

> Mr. Pickersgill, now in Newfoundland, told the *Chronicle-Herald* after the meeting that the proposed third ferry would take on loaded box cars and have them unloaded at Port aux Basques.
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> The announcement appeared to have caught off guard some 200 persons at the North Sydney board of trade meeting.
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> Under the proposed new arrangement, trucks, as well as railway cars, will be unloaded at Port aux Basques, instead of at North Sydney. For shipment on the existing ferry, *William Carson*, goods are unloaded from the cars.

So under this program it would appear that the new ferry would take loaded railway freight cars aboard the vessel at North Sydney and they would be shipped loaded to Newfoundland. On March 23 I posed a question on this matter to the minister. As usual he was quite evasive; I have not been able to get any information from him. At that time he stated that freight was increasing every year through these ports and as a result there was increased work. This is quite true; freight is increasing annually and I hope it continues to increase. But should a system of this nature be put into effect, very little work will be available in North Sydney, as far as freight handling is concerned. To enlighten the committee a little more on this matter I would like to quote from the Cape Breton *Post* of March 16, in which there was a story as follows:

> While hon. Mr. Pickersgill did not elaborate on or outline details of the new ferry for the North Sydney-Port aux Basques run, it is understood here that it will be in the form of a car-freight ferry, one which would transport loaded freight cars from here to Port aux Basques.
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> These cars, it is reported, are ones that would arrive here loaded, and then be placed aboard the ship as are.

So we go on, and we find that this situation has been causing a great deal of anxiety among many people in Cape Breton, boards of trade, members of town councils, unions, and so on. The Cape Breton *Post* of June 5 carried a report of a meeting of the board of trade at North Sydney. The article is entitled "Transshipping of freight hit", and it says:

> —in the event of transshipment handling of freight at Port aux Basques could "in time deal a pretty vital blow to the labour picture of North Sydney".

This was a statement made by the president of the board of trade. Then there was a

meeting of the town council in Sydney Mines at which the secretary of the union, local 1259, I.L.A., appeared and presented his case. He asked for support. Then I understand the representative from the union approached the Minister of Labour on the subject, and the following appears in an article in the Halifax *Chronicle-Herald* of June 12. The article is headed, "Some facts first—meeting later":

William Quirk, recording secretary of local 1259, I.L.A., sent a letter to Mr. MacEachen stating that the local's membership was "greatly disturbed" by the "persistence of strong rumours and some solid facts" that create a strong impression of impending disaster to the union and town of North Sydney.

The Minister of Labour reported to the newspaper concerned in Halifax that he felt this was one of the questions raised last fall when a delegation met with him and other ministers concerned with regard to the shipment of freight through the port of North Sydney. At that time he said the concern expressed was somewhat exaggerated and he would look into the situation as it then existed. In their letter to the minister the longshoremen said it was their understanding that a special tariff was issued to provide through rates to inland ports in Newfoundland that would make the service highly competitive with the C.N.R. This is a separate item altogether from the proposed new ferry. They went on to say that what was even more disturbing was an agreement that had been made between the C.N.R. and C.S.L.-Clarke Terra Nova services, giving the latter the privileges of transporting from Montreal all the freight shipments originating in Ontario and a large part of Quebec that were not specifically marked "via C.N.R.". The association asked the Minister of Labour for his assurance that their fears were groundless or that definite steps would be taken to provide an immediate equal opportunity for alternate employment for this group. Those are two very important items, Mr. Chairman, about which I wish some information, with regard to the construction of this ferry. We want to know whether any arrangement has been made whereby competition is provided with the help of government incentives which work to the detriment of the port of North Sydney.

Here again there is an article in the Cape Breton *Post* with regard to the joint meeting of the two town councils of North Sydney and Sydney Mines. Another item in the Cape Breton *Post* of June 13 is headed, "MacEachen optimistic". Since my very good colleague from Cape Breton is an eligible bachelor, I am glad he is still optimistic; but this would appear to refer to something else:

Mr. MacEachen said the elimination of freight handling jobs would depend on the growth of traffic business and, with the possibility of increased traffic, would mean increased employment through the years.

That is quite true, provided we are not going to have the type of ferry that has been suggested. All we want is an explanatory statement from the Minister of Transport or the Minister of Labour with regard to the type of ferry that will be operated on this service. On another occasion the Minister of Transport said, "The hon. member knows"—referring to myself—"that this is two or three years in the future, and there will be plenty of time to look into the matter of employment." I say that now is the time to look into the matter, not two or three years from now, because employment will have been eliminated in North Sydney by that time. The minister should investigate the situation immediately, make some statement on behalf of the government, and thereby alleviate all the worry that is being caused to the people of the port of North Sydney, the town of Sydney Mines and the surrounding areas from which men come to work at the port. In another article in the Halifax *Chronicle-Herald* of June 13 it is reported that the Minister of Labour said he felt the volume of freight traffic through North Sydney would increase in the future. We have heard this story all the time, that freight is going to increase. That is good; I like to hear it. But I do not like to hear that we are perhaps going to have a freight ferry that will take loaded railway freight cars from the port of North Sydney and they will be unloaded at Port aux Basques, in Newfoundland rather than in Nova Scotia, and the handling will be done in Newfoundland. At one time I asked the Minister of Transport whether this meant the standardization of the railway in Newfoundland, and he said, "Definitely not". I could not draw that conclusion; the only conclusion I can draw is that there will possibly be a yard set up at Port aux Basques with narrow gauge tracks and the freight will be transferred from the standard gauge to the narrow gauge tracks for distribution throughout Newfoundland at Port aux Basques.

Another meeting was called for the purpose of organizing a port commission, which all the interested parties of the area attended. According to the Cape Breton *Post* for June 16, 1964:

Mayor Hartigan in his opening remarks referred to the interest and concern of Sydney Mines in the local labour picture at the C.N.R.'s terminus, due to the fact that many Sydney Mines people were working here.

He also stressed the very great importance of a "united front and effort" if any move to combat possible setbacks are to be counteracted successfully. "We should not," he said, "under any consideration or circumstances make any kind of political issue or football out of this situation".

I can understand why the mayor would make a statement like that. He is a non-political person and does not take part in politics, although I must state he is past provincial president of the Nova Scotia Liberal association; but I am sure his heart is in the right place and that he is willing and anxious to do anything he can to assist in this problem.

A few days ago I posed another question to the minister about this matter and again got no reply. I see the Minister of Labour with us today and I should like to ask whether he is in a position to provide some clarification so as to clear up any misunderstanding about this. I trust that anything we have heard is only rumour and that freight will always be handled at North Sydney. Another point I should like clarified, one with which he is familiar because we met on several occasions in this regard, concerns the possibility of another steamship line receiving certain preferences, priorities or incentives to assist the taking of freight away from North Sydney, thus causing more unemployment and further competition for the C.N.R.

Another point concerns increased employment, and this question was mentioned by the hon. member for Halifax (Mr. Regan). We are all pleased to hear about this increase, but may I quote to him a statement issued by the Minister of Labour on Monday, April 20, which appeared in the Cape Breton *Post*. The minister said at that time:

Since 1961, the labour market on Cape Breton island has improved, and there has been a consistent increase in employment in the service industries and in the manufacturing of steel, pulp and aluminum products.

That was in 1961, and if I recall correctly the present administration was not in office at that time.

Before going on to something else, Mr. Chairman, I should like to refer to certain areas facing cut-backs, reductions in force, and so on. This matter concerns a number of ministers. I am sorry the minister of northern affairs is not here. He was here a moment ago and perhaps he is behind the curtains and will hear me. There has been a very considerably reduced work program in the Cape Breton highlands national park, and much remains to be done. This park provides employment for the many people deserving of that employment. Incidentally, I suggest the works program at the park in the past year has been the lowest for quite a number of years. I am receiving representations from many people in the area who are looking for employment of some type. They are not in a very good way financially. I am pleased to say that I made representations to the Minister of Labour on their behalf and I hope and trust he is doing his best to find employment for them. I have received letters from the clergy in the area, who have advised me there are people in destitute circumstances in Victoria county. If more work were provided in the Cape Breton highlands park this would fill the bill somehow.

Another matter I should like to raise with the minister of northern affairs is this. I should like to know whether he can advise the committee whether the Liberal councillor at South Ingonish is the hiring agent now for the park. I am curious about this. The information I have received suggests that the Liberal councillor in South Ingonish beach provides the names of people who would like employment to the superintendent of the park, and the superintendent in turn telephones the national employment office and informs them whom he wants.

Mr. Regan: Did you appoint them before?

Mr. Muir (Cape Breton North and Victoria): I hear an interjection from the hon. member for Halifax (Mr. Regan), who asks whether I made the appointments. When we were in government I was pleased to play some part in placing men in work there. This was done with the assistance of clergy of all denominations in the area. It was done through representatives of the Legion and different public figures in the areas concerned. One other matter. We tried to distribute this work all through Victoria county from Bay St. Lawrence to Ingonish, where the headquarters of the park are, and to do it in an equitable and fair manner.

To get back to my main point, I should like the minister to find out whether it is correct—I suggest to him that it probably is —that the Liberal councillor in South Ingonish is the hiring agent, although it could be a coincidence that of the people employed in the park the greatest majority come from South Ingonish. This matter was also raised

by the now Minister of Transport when he was in opposition, and it is all on the record. He asked how we handled this problem when we were in office. We were assisted by the clergy in the area, who I am sure were not political agents for any party. I see the Minister of Labour smiling, but that is the fact; and if he checks *Hansard* he will find letters quoted which reveal how we handled the problem.

This is an important matter and should be investigated at this time. In the years prior to 1957 if one's father or one's grandfather or one's relatives voted Conservative he could not get a job in the park. That was a known fact; but the position definitely changed after 1957. We are now back to the old system again. I do not care who are hired or what are their politics, but please distribute this work equally among all the areas, Dingwall, North Ingonish, Cape North, Neil's Harbour, Bay St. Lawrence and so on. This work should be shared around.

There have also been reductions in public works projects. Nothing of major importance is being constructed at the present time. Tenders have been awarded for the continuation of the Dingwall project, which we started and which had been written off by a former minister of transport by the name of Winters. He wrote it off and we re-established it and spent quite a bit of money when we were in government. It has been of much benefit to the fishermen in the area. At Baddeck there will be a small extension to the wharf. This is nothing new because plans were all ready for this when the present government came into office. In Ingonish some work is going to be done on the wharf, owing to storms of last fall and winter. I urge the government to look into this matter and to see whether major spending cannot be carried out by other departments. We are not asking for too much. We are asking only that the amount of spending be brought up to the level of that of the former government. We are always looking for more, of course, but if the level is restored to what it was previously, which was the highest level ever reached in public works and northern affairs and a number of other departments, we will be content.

When the Minister of Labour visited Cape Breton recently, according to the Halifax *Chronicle-Herald* for Saturday, May 30, he said:

"I have never been more confident of the future of Cape Breton than I am today," federal labour minister Allan MacEachen said Friday after he cut the ribbon at the formal opening of Cape Breton county vocational high school.

Incidentally, this is one of the schools initiated by the former minister of labour. The article continues:

"Real progress is being made with the immediate problems of this area and a good start has been made towards finding ways to its long term prosperity," he said.

"Cape Breton has served Canada well in the past."

I fully agree with that statement.

"Now, in turn the rest of Canada has a responsibility to Cape Breton to do what it can to see that it shares, as far as possible, in the benefit that technology is bringing. We recognize this responsibility in the federal government."

I am very glad to read that the minister has said that. He announced at that time that many departments were really investigating and digging into the records to try to see what type of work each department could carry out in Cape Breton in order to encourage spending in the area and provide employment. Let us know what projects are going forward, and how soon.

With regard to the naval base, every week a certain number of men are receiving their lay-off notices. That is why I posed a question today to the Associate Minister of National Defence, and I was very pleased to hear him reply that some steps are going to be taken to try to provide further refits of some type for the base. I must say I am very glad to hear that news. This will help to alleviate unemployment in the area and will maybe help to keep the men now working employed a little longer. I do hope that the work will be prolonged and carried on as long as possible.

An hon. Member: What about the satellite tracking station?

Mr. Muir (Cape Breton North and Victoria): Yes, I could mention the satellite tracking station. I have been trying to secure some information about it, and I think the Minister of Labour is familiar with the situation. There has been some hold-up, I believe due to technological changes, but I would think that by this time the point must have been reached where the progress that was made prior to this government taking power could be continued with regard to this tracking station, which is a project of the national aeronautics and space agency of the United States and the United States weather bureau, on the one hand, and the Department of Transport and the telecommunications branch

of Canada on the other hand. I hope the Minister of Labour will be in a position to provide some information on that matter.

There are so many matters that could be brought to the attention of the government at this time, but I do not wish to prolong the committee any more than to say that I trust and hope that the Minister of Labour, who is here today, will be in a position to provide some information with regard to the ferry which I mentioned. If he is not able to do so, maybe the Minister of Transport will, when he returns. I hope his illness will not be too prolonged and I trust that when he returns to the house he will be in a position to give us further information on this matter, because it is most important.

Mr. Lloyd: Mr. Chairman, I believe that the two matters raised here today have been fairly well explored by the speakers who have taken part in the debate in the last half hour or so. I was pleased to note that the hon. member for Digby-Annapolis-Kings brought to the attention of the minister matters of which he was aware. Certainly he was made aware of them by members of his department. He has been made aware of certain economic realities of the province of Nova Scotia by my colleague and myself, and by other members from the Atlantic provinces, in the last two or three weeks. I am delighted that the hon. member for Digby-Annapolis-Kings has added his words of wisdom and judgment to this debate. After all, his experience as a former minister of finance would certainly give him the capacity to observe economic realities. This is one thing we share in common.

I am fully satisfied that the minister is aware of the difficulties inherent in the particular problem of readjusting or rationalizing the expenditures of the government in the field of aircraft overhaul and repair. I am fully convinced that a strong and well documented case is now before the minister. That case, which has been made in written submissions and in oral observations in the house, is that there is every justification to try, if at all possible, to maintain the work load to the maximum possible degree at both Enamel and Heating Products Limited and the Fairey plant in Halifax.

I am not as knowledgeable as I should be on all the things I ought to be knowledgeable about, but to the extent of my capacity to judge facts and relative aircraft plant capacities I am fully satisfied that a strong case exists not to transfer any work of the kind proposed from a plant in Nova Scotia to a plant in Montreal. Even if there was a small differential in terms of dollars in favour of a company in Montreal, Toronto or somewhere else in central Canada, the great advantage to all Canadians that would be derived from continuing industrial growth and additional work opportunities in the Atlantic provinces far exceeds any minor difference that may exist at the moment.

[*Translation*]

Mr. Balcer: Mr. Chairman, I would like to speak briefly this afternoon on the situation of farmers in the province of Quebec.

You know that, last week, nearly 10,000 farmers marched on the capital of the province of Quebec.

This march was intended to force the population, and especially the provincial government, to realize the situation of the Quebec farmer faced with constantly rising land taxes in that province, to which farmers have to contribute more and more, and also to force the population to realize the fate of the farmer in that province.

When the Liberal government came into office in Ottawa we were entitled to expect, particularly after the great promises which had been made during the campaign, that this government, during its famous first 60 days, would find a magic formula to solve the problems of Quebec farmers. Unfortunately, during the 14 or 15 months the present government has been in power, not only has the position of the Quebec farmer not improved, but it has deteriorated from day to day, not only because of events, of trade in general, or of the market situation, but also because of the attitude taken by the present government.

It should be kept in mind that under the present government, the situation of the dairy industry in Quebec, far from improving, is worsening. Instead of meeting the wishes of our farmers, the government abolished the 30-cent subsidy per cwt. of milk delivered to cheese factories. It also abolished the 25-cent subsidy per cwt. of milk delivered to butter factories. It is reported that all this will save from $6 to $8 million.

I realize that the government must save money, but why must it always be at the expense of farmers? It is against this that we are protesting.

It must be borne in mind too that the government has also reduced the 12-cent subsidy on butter granted by the previous government in order to dispose of butter supplies

and, at the same time, to maintain the subsidies paid to farmers, especially milk producers of the province of Quebec.

The government failed to appreciate the situation. It failed to realize that the expenses of our farmers increase constantly and that their income, instead of increasing proportionately, remains the same or is decreasing.

In this morning's issue of *Le Devoir*, there is an excellent editorial by Mr. Claude Ryan, in which he explains very clearly the situation of eastern farmers whose purchasing power is decreasing. According to Mr. Ryan:

> All surveys indicate that the purchasing power of the farmer has been constantly decreasing for 20 years. The farmer is now earning a few dollars more than previously, but this increase of the gross income is insufficient to meet the increase of the cost of necessary services and equipment.

The present government refused to face the facts. It is true that during the election campaign, we heard about the famous department of agriculture for eastern Canada which was supposed to solve all our problems. This department was a magic formula and worries were to disappear. This government has been in power for 15 months and we are still waiting for a department of agriculture for eastern Canada which is supposed to be a magic formula to remove every evil and smooth out the difficulties of our farmers.

There is of course the Minister of Forestry (Mr. Sauvé) who is partly responsible for ARDA and the redevelopment of our rural areas. It is a long term plan but up to now, in view of the relations between the Minister of Agriculture of the province of Quebec and the Minister of Forestry, it is obvious that the efforts of the new minister are not particularly welcomed by the Quebec farmers, especially when one hears a Liberal minister, such as the hon. Mr. Courcy, who makes no bones about appearing on T.V. to give a good scolding to the federal minister responsible for rural development. It was an unusual sight, but there must be some grounds to warrant such a situation. Is it the reason why the minister of rural development has felt it necessary to go on holidays in Italy for a rest?

I do not know, but, in any case, when the minister is no longer contemplating long trips around the world, I hope he may find the time to consider the problems of the Quebec farmers.

One day, I was visiting the rural area of my constituency of Three Rivers, which has many farming communities, and I was talking to a farmer whose family had tilled the same land for nearly 200 years. He was an old gentleman, very much respected in the parish, and the owner of beautiful farm land which can be advantageously compared to any in the province of Quebec. This old gentleman said to me: Mr. Balcer, you, the politicians, will definitely have to do something. I asked him: Why? And he answered: Listen, my family has been on this farm for almost two centuries, and today, when everybody says that there is prosperity in the whole western world, when we are told that in Montreal, 50 storey skyscrapers have been built as well as tremendous speedways, at this very moment, for the first time in seven or eight generations on the same farm, my family will have to leave the land which has fed our forefathers for the last 200 years.

And he explained why. He told me that he had two sons working on his farm, who were excellent farmers, and laboured from daybreak to sunset; but unfortunately, all the father could give them for their petty expenses was $5 or $10 a week, while, just beside them, lived two boys who, though not exactly hard workers, had found positions in a Shawinigan Falls plant, where they earned a salary of $100 a week working from eight in the morning until five in the afternoon. They were coming back to the village with a shiny new car and dated the prettiest girls in the community, because they had a car, and so on.

Now, the old gentleman told me: Would you tell me, Mr. Balcer, why our two boys would want to remain on the farm and keep up an age old tradition?

This problem recurs throughout the province and throughout all eastern Canada. With that problem to face, the government does not assume its responsibilities, but takes the following attitude: The eastern farmers' problem will always remain a problem, let us be satisfied with the *status quo*.

Now, we are speaking about an important class of our society, which gives outstanding service to the country as a whole. This is a category of people with old traditions which have their roots in this country's history, and these people should not be abandoned and left to their fate.

At all costs, the government must come to a decision with regard to feed grains for the eastern farmers. This is a question the government must solve. It must build warehouses in the east, in our harbours on the St. Lawrence river; it must also pay for the transportation, from the west to the east, of such feed grain, and also for storage. In

addition the government must establish a board which will look after the purchasing of feed grain and see to it that there is no undue speculation detrimental to our farmers. All that must be done.

A crop insurance scheme for our farmers must be initiated. Stabilization of farm prices must also be achieved. But mainly the government must find new markets. The government is not looking for any outlets for our eastern farmers. The problem must be tackled with vigour, because the situation is much more serious than we think.

When we consider that 10,000 farmers marched as a group to Quebec in order to lodge a protest with the government, I say to this government that, before long, those thousands of farmers will gather in front of the parliament in Ottawa, if the government continues its easy-going and forsaking policy regarding eastern farmers.

[*Text*]

Mr. Winch: May I ask a question of the hon. member? Admitting the problem, may I ask the hon. member what he did, 14 to 18 months ago, when he was a cabinet minister on the other side?

Mr. Balcer: We did quite a lot. We increased the subsidies on butter production. We brought forward the 12-cent subsidy to the consumer to increase the distribution of butter. We also brought forward a very good act to increase farm credit. We increased the subsidy on cheese, the subsidy on turkeys and the subsidy on poultry. Well, we Mr. Chairman, it might take me too long to enumerate everything we did, but at least we did something. We did a lot of things. The present government seems to be completely lacking in imagination in so far as trying to find any new program is concerned; but they will have to do something.

Mr. Winch: Are these subsidies still in effect?

Mr. Balcer: Many of them have been decreased by the government, saying it had to save $8 million. I do not mind if the government saves money, but it does not have to take that money out of the pockets of the poor farmer in eastern Canada.

The Deputy Chairman: The hon. member for Villeneuve.

[*Translation*]

Mr. Sauvé: Would the hon. member for Three Rivers allow me a question?

If the agricultural policy of the Conservative government was as efficient as he says it was, how is it that, when we came into office we found agriculture in eastern Canada in such a deplorable state?

Mr. Balcer: Mr. Chairman, I have just explained that. We did all those things and little by little the present government is destroying what we did; it shows no imagination at all and is incapable of introducing a single measure to help the eastern farmers.

Mr. Sauvé: That does not answer my question. The hon. member for Qu'Appelle (Mr. Hamilton), in a remarkable speech, deplored the state of agriculture in eastern Canada, and I think that the Conservatives had just lost power then. There is no reason to believe that the situation is worse because the Conservatives no longer administer the country. Everyone knows that the present government—

Some hon. Members: Question.

Mr. Sauvé: —made some changes with regard to the agricultural policy, but it did nothing that could have worsened the situation.

Mr. Balcer: I do not want to keep the debate going forever, but I just want to give an example. We had on the order paper, when the government was defeated, a measure that made it possible for farmers to get feed grain at a reasonable and stable price.

The present government has been in office for 14 months and has not yet found its way clear to introduce in the house a single measure to continue what we had done. Not only has the government not introduced any legislation, but when we have suggestions to make concerning feed grains, it defers the matter to a committee where it is discussed for months and months while farmers are waiting.

Mr. Sauvé: Would the hon. member permit a question concerning feed grains?

Mr. Pigeon: Make your speech instead of going to Italy.

Mr. Sauvé: Does the hon. member for Joliette-L'Assomption-Montcalm know that I was in the house at the adjournment, Friday night, and that I was present this afternoon? What I did during the week end is none of his business.

Mr. Pigeon: Mr. Chairman, may I put a question? Has the minister read *Le Devoir* of this morning which comments on his trip to

Italy? Would the minister visit farmers during the week end in order to know them better instead of journeying to Italy?

Mr. Sauvé: Does the hon. member for Joliette-L'Assomption-Montcalm know that I went to Lotbinière, Chicoutimi, Matane, St. Anne de la Pocatière and that next Saturday I will be in Mont Joli where I will meet hon. Mr. Courcy on the occasion of a visit to the eastern Quebec development office?

I have done more to gather information in these last months than many former ministers did in the same situation.

As the former minister of transport speaks about feed grain, would you authorize me, Mr. Chairman, to say a few words to him?

Mr. Pigeon: Is it in order?

Mr. Sauvé: On June 13—

[*Text*]

Mr. Olson: On a point of order, Mr. Chairman, the hon. member for Villeneuve was recognized by Your Honour several minutes ago, before the question was asked by the minister. Surely the minister does not think he should go into a speech now.

The Deputy Chairman: Order. If the Minister of Forestry has a question to ask I would recognize him again, as I did previously; but if there is a speech to be made I would recognize the hon. member for Villeneuve.

Mr. Caouette: Has the minister a question to ask—because he was not asking a question; he was making a statement. He was the finest, the nicest and most appropriate minister of the crown at this time.

[*Translation*]

Mr. Chairman, we have just heard the former minister of transport in the Conservative government tell us about the 10,000 farmers who went to Quebec city last week to ask the provincial government to grant them certain benefits and to recognize their very existence in the province of Quebec.

At the same time, we heard the former minister of transport refer to feed grain and ask us what the present administration had done to enable farmers to buy feed grain at better rates than in the past.

Mr. Chairman, it is all very well to listen to the minister of transport in the Conservative government talk to us about feed grain and the benefits and assistance his party brought to eastern farmers. Only, when the hon. member for Three Rivers (Mr. Balcer) was a minister in the Conservative cabinet, just 14 months ago as he said himself, what did the Conservatives do to allow eastern farmers to benefit from prices granted for feed grain? What did they do to help eastern farmers obtain western grain at better prices than in the past? It is nice to hear the former minister praise Canadian agriculture. It is also interesting to have him explain to us the grievances or the misunderstanding that might exist between the Quebec minister of agriculture and the Minister of Forestry who, under the circumstances, acts as minister of Canadian agriculture.

Next Wednesday, that is in two days, a convention will be held in Noranda in my riding, where all the agricultural experts of the province of Quebec will meet. This will be their annual convention. I hope that the hon. member for Three Rivers will be present, because I shall attend it.

I shall ask then the provincial and federal authorities which will be represented: What have agricultural experts been doing to promote, to establish an adequate agricultural program in Canada which would enable the small farmer to keep his family farm and to give his family a decent standard of living?

Mr. Chairman, in the past, when speaking of agronomists—and there are some in the house—either under the Conservative government or under the former Liberal government, we used to say that an agronomist was a guy who had completed his classical course, failed his law examinations and turned agronomist. As a matter of fact, I see my good friend, the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and I am sure he agrees with what I have just said. And why is it so? Because at that time we did not grant due recognition to the schooling, the education and the training of an agronomist. As a matter of fact, that profession was not recognized in the province of Quebec and we thought that an agronomist was a citizen of second, third and even fifth class, or that he had to play second fiddle.

Mr. Pigeon: Mr. Chairman, I rise on a question of privilege. I do not intend to delay the remarks of the hon. member for Villeneuve and even if I am an agronomist myself, I shall put my personal feelings aside to say, on behalf of Quebec agronomists, that they are not a group of failures or people who turned to agronomy because they had failed their law examinations. Indeed, I know that the hon. member for Villeneuve shares my views on that point.

Mr. Caouette: Mr. Chairman, I did not say that agronomists were failures. I merely

stated that agronomists were represented to the people as a group of men who had failed to qualify for the bar and who had taken up agronomy because they had found nothing better to do. In that connection, I should like to point out that, in last Saturday's edition of *Le Devoir*, it was stressed that most Quebec agronomists are employees of the government who earn from $5,000 to $5,700 a year, which is absolutely illogical. It must also be remembered that 30 years ago, in 1934, people were advocating a return to the land in Quebec. Agronomists were right at the time, but no one listened to them. Personally, I feel that they can be of service to farmers of Quebec and of eastern Canada just like their professional colleagues helped farmers out west.

Mr. Chairman, I know that at a certain time politics entered into the picture and that western farmers were told that they did not have to produce and that they would be paid so much per acre for not seeding their land, for not reaping a crop. Yet, that policy never existed in the province of Quebec.

A few weeks ago, after having got in touch not only with agronomists, but also with political authorities of the province of Quebec, it was found that whole areas had been affected by drought, torrential rain or dust. Therefore, many Quebec farmers will have no crop next fall. Never have we seen in the province of Quebec federal authorities concerned with problems respecting our agriculture, whereas we were interested in those of western farmers. Never have we opposed the assistance the federal government might extend to western farmers.

However, not too long ago I heard the hon. member for Chapleau (Mr. Laprise) ask the help of the federal government for the farmers in northwestern Quebec, with lands, in some cases, on the border of Ontario, because they had just lost their lands, their properties, etc. following a terrible hurricane which had devastated that area. At that time, the Prime Minister of Canada (Mr. Pearson) stated: We have received no request from the province of Quebec, we cannot help the farmers in northwestern Quebec. But barely a few months ago, when Alaska, which is not a Canadian province but an American state, was devastated by a tidal wave and Canadian citizens living south of Alaska had to face difficulties not greater than those the farmers in northwestern Quebec had to face, requested the help of the federal government, the Prime Minister informed us of the concern of the federal government and the help that it might give to farmers in western Canada who live in British Columbia and south of Alaska.

Mr. Chairman, we agree that we must help those citizens when their area is depressed or when they have difficulties. But why did farmers of La Sarre, Palmarol, Macamic and Authier not get help from the federal government when the hon. member for Chapleau spoke on behalf of his constituents? Did politics have something to do with it, or discrimination, as we have seen so often in the past?

Mr. Chairman, I do not intend to speak further on that matter, because we will come back to it later and with evidence to show that the government does not take all its responsibilities.

That does not mean that the Conservative government, including the hon. member for Three Rivers, were assuming their responsibilities. They have this unfortunate habit of blaming the Liberals for things they themselves neglected to do when they were in office only 14 months ago. They have the habit of blaming everyone except themselves.

For instance, with regard to feed grain, I wonder why the hon. member for Three Rivers was not, in 1962 and in 1963, asking for help for the farmers of his own constituency in order to help them to get feed grain supplies at the price foreign countries could buy them in Canada?

Mr. Balcer: The measure was on the order paper.

Mr. Caouette: Mr. Chairman, what was keeping the hon. member for Three Rivers, who was then minister in the federal cabinet and who is today deputy chief, who is not really a deputy chief and will never be, but who expects to become deputy chief, from asserting his voters' interests? This former minister tells us that his government could do nothing. He himself has never done anything for his own electors, and we have had enough of Conservative assertions telling us that the Liberals have done nothing, while they themselves have not done anything during the five years they were in office, when it would have been possible for them to settle the situation of Quebec farmers. Why did they not do so, when they ask us today to put the full blame on the present government? We are ready to blame the government to the same extent as does the hon. member for Three Rivers, but we are also ready to blame the member for

Three Rivers who was not able to assume his responsibilities when he was a crown minister.

On both sides of the house, members are trying to indulge in petty politics and to play politics.

Mr. Ricard: You have never done anything else.

Mr. Caouette: Mr. Chairman, that is exactly what the hon. member for Three Rivers just said. He has never done anything else in all his life; that is all that he has been doing, and what he is doing at present.

We shall keep on exposing and pillorying those who have failed to take their responsibilities, and we shall not put up with the virulent attacks of the official opposition which was in power barely a year ago. What we want for the eastern as well the western farmers is fairness, we want justice. We want our farmers to be able to settle and live in the province of Quebec and in the maritime provinces, in the same way the federal parliament permitted western farmers to live a decent life, in all fairness and justice, regardless of the administration. As long as justice is assured for each Canadian citizen, we shall support the government with all our might.

[*Text*]

The Deputy Chairman: I do not know whether or not the hon. member has completed his remarks, but there is no private members' hour this afternoon.

[*Translation*]

Mr. Caouette: Mr. Chairman, I thank you for that information. I did not know that private members' business, that is private or public bills, would not be considered today. I just got back from Rouyn, and it is quite a distance from Three Rivers.

Mr. Chairman, we just heard the former minister of transport telling us the great admiration he has for the farmers in the province of Quebec. As I said and repeated, he was minister for over five years, precisely, for six years. He was sitting on the other side at the time; he was in office and us, we were asking for grain elevators in the province of Quebec, in Berthier, Quebec city and Montreal. At that time, this minister from the province of Quebec did not know what solution to adopt—

Mr. Balcer: Will the hon. member for Villeneuve allow me to ask him a question?

Mr. Caouette: Certainly.

Mr. Balcer: Does not the hon. member know that we built close to $12 million of grain elevators in Montreal, $3 million, in Quebec city and that, besides, during our term of office, huge grain elevators were built in Baie Comeau? Some were built in Three Rivers, where the elevator capacity was doubled.

Mr. Caouette: Mr. Chairman, I would like to learn from the former minister of transport whether this amount of $12 million plus $3 million and $5 million, making a total of $18 or $20 million, did not benefit the contractor rather than the farmers of the province of Quebec? Let the former minister tell us—

An hon. Member: Now, you are making sense.

Mr. Caouette: I always make sense. Let the former minister tell us who benefited by grain elevators under the Conservative administration and then I shall resume my seat. But I am convinced, Mr. Chairman, that grain elevators built in the province of Quebec were built for exportation and not at all to assist the farmers in the province.

As recently as half an hour ago I received a telephone call from a prominent member of the catholic farmers' union of the province of Quebec who told me: We held a demonstration in front of the Quebec parliament and we will hold another one in front of the Ottawa parliament, on behalf of eastern Canada agriculture.

Mr. Chairman, we do not wish to add insult to injury, as they say, but we want agriculture in eastern Canada to be treated on an equal footing with western agriculture.

To come back to what I was saying a while ago, the former minister of transport talked about the great solicitude and love he felt for farmers in his own riding and in the whole province of Quebec. But I shall reply to him what I have said before: Farmers in eastern Canada get up at four o'clock in the morning to milk their cows while some people, like my good friend the hon. member for Three Rivers, gets up at ten to milk farmers.

Mr. Chairman, the flamboyant and wonderful observations we heard a while ago concerning the farmer in French Canada or in the province of Quebec have already been heard during every election campaign. We heard the Liberals just like the Conservatives tell us their love for the farmers. That matter has been discussed for 25, 20, 15,

five years, and now for one year, and it is discussed again today. It is not with words, with rhetorics nor with philosophy, and even less with high-sounding speeches that we will save agriculture in the province of Quebec and in eastern Canada. It is with action, and such action was lacking when the Conservatives were in power. It is still lacking now that the Liberals are in office.

I heard a while ago my good friend, the hon. member for Îles-de-la-Madeleine and the Minister of Forestry (Mr. Sauvé), tell us how well he knew the farmers in eastern Canada and what a high opinion he had of them. He could not get along a few days ago with the Quebec minister of agriculture, Hon. Alcide Courcy—an agronomist, mind you—with whom I will be in Noranda Wednesday night.

A few hours ago I was on a plane with the Quebec minister of lands and forests, Hon. Lucien Cliche: he was going to Quebec city and I was coming to Ottawa—we are of the same area. Hon. Lucien Cliche is anxious to develop his area, his province and Canada as a whole. He told me that my friend, the Minister of Forestry, is a man with whom it is very easy to get along. I believe so, but we have in the province of Quebec, as in the rest of this country, people who are afraid and think that everything we do here in parliament can be in the interest of the province of Quebec.

Now, Mr. Chairman, such is not the case. Perhaps no group is more Canadian than the group I represent. I recognize for western Canada the same rights we must have in the province of Quebec, but at the same time I recognize that we must not have lesser rights than those the other provinces have obtained up to the present. It is not a matter of discrimination, it is a matter of mutual understanding and co-operation. I am convinced that the Minister of Forestry will admit that when he met the Quebec minister of agriculture and colonization, he realized that he had something to learn, just as the Quebec minister had something to learn from the federal Minister of Forestry, who actually is responsible for ARDA.

Mr. Chairman, there is a possibility of agreement, understanding and co-operation between eastern and western Canada. But as long as we are looking in one direction only, where our personal interest lies, we will never come to an agreement in any part of the country. But this possibility exists, provided we are men of goodwill.

[Mr. Caouette.]

In fact, Mr. Chairman, there are in Canada three categories of people only, as anywhere else in the world: men of goodwill, men of ill-will and men without will. Let us be men of goodwill, instead of men of ill-will or no will at all. We will then save, not only Canada and confederation, but the human being who works for the development of his country.

[*Text*]

Mr. Rapp: Mr. Chairman, I would like to take this opportunity to make some brief remarks on the interim supply bill that is before us, but I wish to speak on a different subject. It arises from a question I directed to the Minister of Labour asking whether the Gill report on unemployment insurance would be debated during this session. He replied that if parliamentary time permitted this was one of the matters which might be dealt with during the session. Mr. Chairman, the Gill report was presented to parliament in November 1962. A couple of months later there was an election, following which there was a change in government. During the time the present government has been in office there has been ample opportunity to bring in the Gill report on unemployment insurance, but nothing has been done. Not only that, but we have still not had word from the Minister of Labour as to when the matter will be debated in the house.

My interest in the report and the recommendations is well known to the house, particularly that part of it which deals with unemployment insurance for the farm labourer. Not very long ago I presented a bill to the house which was talked out, which does not mean that there is no justification for bringing farm labour under the Unemployment Insurance Act.

I should like to put on record a report from the national employment service, which reads as follows:

> The present shortage of good farm labour on the prairies appears to be more serious now than at any time in the past 10 years, says the April monthly report of the national employment service.
>
> The N.E.S. also said the number of transient workers available in 1964 is much lower than it was at the same time one year ago. The number of these workers has been seriously depleted through heavy recruiting of workers for jobs in various mining operations on the prairies.
>
> In Manitoba, the N.E.S. offices report they cannot keep up with the demand for good farm workers. There is a serious shortage of couples for dairy farms and farm machinery operators anticipated, the report said.
>
> A number of farm organizations have suggested that training programs be established to educate prospective farm labourers in handling and maintaining farm machinery.

Not so long ago there took place a meeting in Winnipeg, as a result of which the unemployment insurance fund will be asked to include farm hands under the benefits of the Unemployment Insurance Act. According to the Saskatoon *Star-Phoenix* this recommendation was made:

> Winding up a two-day meeting in Winnipeg Wednesday, the prairie regional employment committee recommended that unemployment insurance coverage be extended to include farm labourers. "Farm labourers should be entitled to the same benefits as city construction workers", F. C. Cronkite of Saskatoon, chairman of the 15-man committee said, commenting on the resolution.

The reason I have placed bills and motions on the order paper in the past is due to the serious situation which has developed in the agriculture industry of this country. The Gill report says that insurance for farm labourers is not easily provided, but I submit that the report should be presented and the recommendations discussed. What annoys me most is this, that in the dying days of 1957 the then Liberal government provided unemployment insurance for self-employed fishermen. I am not going to stand up here and say that these self-employed fishermen should not receive assistance; but the point I do make is that if the former minister of fisheries, Mr. Sinclair, who represented a constituency on the west coast, as well, I am sure, as the hon. member for Bonavista-Twillingate, were instrumental in bringing about this change in the Unemployment Insurance Act, I am puzzled why the ministers in the cabinet who come from the prairies have not demanded that farm labour should also be included under the Unemployment Insurance Act. As a result of this omission the farmers both in the east and west have suffered and lost money because they cannot get insurance coverage for farm labour. If the Unemployment Insurance Act can be applied to self-employed fishermen it is certainly much easier to apply it to farm labour.

I should like to read what was said in the Gill report about implementing unemployment insurance for fishermen. I refer to paragraph 26, page 110:

> One area of existing coverage where an employer-employee relationship does not in fact exist is that relating to the coverage of self-employed fishermen. This question is discussed subsequently in this chapter; consequently it will be sufficient here to state our view that this group should not be covered by the unemployment insurance plan that we are recommending. We recognize that there are many economic and social problems in connection with fishermen and the fishing industry in general—

I do not dispute that, but insurance should also be extended to farm labour—

> —but they are not being satisfactorily solved, in our view, by the attempt to make the existing unemployment insurance plan apply. Indeed, this attempt is leading to difficulties and distortions within the fishing industry and in the application of the plan to other groups.

So apparently they felt the plan was not satisfactorily workable as far as farm labour was concerned.

In 1956 some coverage was extended to those in agriculture who were concerned with the raising of poultry and egg grading, and the raising of race horses, saddle horses or light harness horses; but according to the Gill report the commission found it difficult to administer unemployment insurance for farm labour. According to paragraph 20 on page 108 they state:

> We recommend that the general principle be followed of extending coverage as broadly as possible so long as the necessary administrative procedures may be carried out to see to it that the rules of the plan are adhered to in a satisfactory fashion.

If unemployment insurance can be administered in the case of self-employed fishermen, I cannot see that there should be any difficulty in extending unemployment insurance to farm labourers.

The Gill report has been before parliament for the last two years and nothing has been done. I remember well that at the time the commission was appointed it was said: All we need is the Gill report and as soon as the Gill commission's recommendations are made steps will be taken. How long do we have to wait before the Gill report comes before the house for debate and discussion? The report contains valuable information as well as valuable recommendations. Although in some areas the recommendations as far as farm labour is concerned may not be to my satisfaction, nevertheless ways and means can be found whereby unemployment insurance can be made to apply to farm labour.

I took this opportunity to speak on interim supply. As I said, I have brought several bills before the house on this matter but they have been talked out. One reason for opposing them that has been put forward is that the Gill recommendations have never been presented to the house and that until the report is debated and discussed in the house no steps can be undertaken.

I think there is an urgent necessity for this report to be debated. As I indicated, there is a big shortage of farm labour on the

prairies at the present time. When our farm organizations recommended that training programs should be implemented to teach men how to operate machinery, I think it is time for the government to take this matter into its hands and see that unemployment insurance for farm labourers is provided in order to help to deal with this problem.

I have met many farm labourers, and these men prefer farm work, but they have to try to get other types of work because if they work on farms they cannot receive unemployment insurance when the work ends. I am sure that if unemployment insurance were extended to them the problem not only of the west but all over Canada will be solved, to the extent that some of these labourers will be available to work on the farms all year round.

As I have done on many other occasions, once again I urge the Minister of Labour to give serious consideration to having the Gill report on unemployment insurance brought before the house for discussion, so that steps can be taken in this regard because, as I have said, the problem is a serious one and the longer it continues the worse it will get.

[*Translation*]

Mr. Paul: Mr. Chairman, having had the privilege of living in an area where, with the possible exception of the St. Hyacinthe area, the most generous farm land in the province is to be found, I feel it my duty to say a few words, this afternoon, on interim supply and especially on the farm situation in eastern Canada, particularly in the province of Quebec.

This last week end I had the opportunity to meet many farmers in my constituency, some which took part in this march to the Quebec parliament, a march that gave the directors of the catholic farmers' union occasion to get over 10,000 farmers together so they could tell the Quebec government about the really difficult situation of Quebec agriculture. I asked some of them: Why did you go to Quebec when you know very well that the stabilization of agricultural prices comes under the federal government? They all told me: It is useless to go to Ottawa because we will never get help from the Pearson government.

I was not surprised, Mr. Chairman, because the facts are there. If you consider the actions of the present Minister of Agriculture (Mr. Hays), you find in him an auctioneer; on the other hand, you have a student minister who seems to want to promote ARDA in Canada, especially in the province of Quebec.

I would not dream of underestimating the knowledge of my hon. friend from Îles-de-la-Madeleine (Mr. Sauvé), but since he has lived in our country's great metropolis, I do not think that he had the advantage of coming in contact with farm people and becoming acquainted with their needs. I realize that the minister has studied a great deal apparently, since he was asked to represent the interests of eastern farmers, but he should not remain a student all his life. Even more important, his studies should not weary him so much that he has to go way out of the country only to be called back to a cabinet meeting on Monday morning. I know he is trying to familiarize himself with the problems of agriculture in Quebec and to secure all the information he can from hon. Mr. Courcy, but whether it is because the latter is too impetuous or because the Minister of Forestry does not understand anything, the fact remains that their relations are quite strained. There again, unfortunately, this is detrimental to Quebec farmers. At the time of the 1963 general election, Quebec farmers thought at last that the new government would bring them heaven on earth.

Mr. Béchard: That is right.

Mr. Paul: I hear the hon. member for Bonaventure say: That is right. It is realized that it is a far cry from promises to facts, and there is many a slip 'twixt the cup and the lip. I would suggest to my hon. friend to ask farmers about the situation of the farming people in the province of Quebec, and the obvious difference between a Conservative administration and the present government.

You can go and ask farmers the difference between the income they are now getting, following the removal of the 30 cents subsidy per 100 pounds of milk, and what they used to get.

My hon. friend from Bonaventure (Mr. Béchard) will go and explain all that to the farmers of the underdeveloped Gaspé peninsula, and I hope also that the Minister of Forestry (Mr. Sauvé) will see his way clear to develop that region, so that it too may benefit from the economic expansion of the province of Quebec. I am not saying agricultural expansion, for never have the Quebec farmers been so ill-treated and neglected as under those two Liberal governments, the Pearson government and the Lesage government.

Mr. Chairman, the income of the farmers of my region has been considerably reduced because of the farm policy of this government. The farmers had been promised that a minister of agriculture would be appointed to look after eastern Canada. We thought that, at last, the federal government, either Tory or Grit, would understand the real farm problems facing eastern Canada. There was promise of such a minister of agriculture for eastern Canada. I understand, however, that the hon. member for St. James (Mr. Rinfret) should speak of all the other problems, because he is not very interested in agriculture. But the farmers had placed their confidence in this government.

Well, I say to the Liberals, go before the people and ask, for the second time, for the confidence of the farmers. They will be weighed and found wanting.

[*Text*]

The Minister of National Health and Welfare seems to be making some remark. She has so many problems with her pension plan that I hope she will take part in this debate. I hope she will be able to explain to the house what plans the government has to save agriculture in the rest of the country.

[*Translation*]

I hope the other members of the province of Quebec are going to rise and support the present endeavours of the Minister of Forestry. I pay him tribute for the commendable efforts he is making to save agriculture. But the minister is alone, and he is to be pitied because there is not another member in the cabinet who really intends to do any planning in order to save our eastern agriculture.

I heard this afternoon the hon. member for Villeneuve (Mr. Caouette) during his weekly attendance in this house, blame the former minister of transport, the hon. member for Three Rivers (Mr. Balcer) for certain measures—

Mr. Bélanger: Where is John?

Mr. Paul: Mr. Chairman, I wonder who is yapping in the corner?

Mr. Bélanger: Where is John?

Mr. Paul: Mr. Chairman, I hear the hon. member for Charlevoix (Mr. Bélanger) asking "Where is John" and I must tell him, for his information, if he does not know already, that the right hon. Leader of the Opposition (Mr. Diefenbaker) had to attend this afternoon the funeral of one of our colleagues, the hon. member for Waterloo South (Mr. Chaplin).

Mr. Bélanger: He went and preached separatism in the west.

Mr. Paul: Mr. Chairman, once again you just heard the parrot.

Mr. Bélanger: We are listening to one right now.

Mr. Paul: Mr. Chairman, during the last general election we heard members of a certain party promise pie in the sky and just this afternoon, the hon. member for Villeneuve blamed the seeming inaction of the hon. member for Three Rivers and the former Conservative government, as far as assistance to eastern farmers is concerned.

Mr. Boutin: What have they done?

Mr. Paul: Mr. Chairman, I wish to say to the hon. member for Dorchester (Mr. Boutin) that he can take part in the debate later on, and I believe that he should take that opportunity because, after the next election, we may not have the privilege of seeing him again.

Mr. Boutin: What have you done?

Mr. Paul: Mr. Chairman, it is not surprising to hear these hon. members speak in that way, particularly after we heard their leader declare: Mr. Chairman, it is five o'clock. However, the hon. member for Villeneuve has been sitting in the house for two years. If he does not know the rules of the house, how can the disciples be superior to the master? They want to know what we have done. Well, when the Conservative government was defeated on February 5, 1963, there was on the order paper legislation providing for the establishment of a wheat board for the east, which would really have been efficient to help the farmers obtain feed grain under very favourable conditions.

The Conservative government had also increased from $5 to $7 per ton the subsidy on transport of western grain toward eastern Canada. They had the ARDA legislation passed. Also, the Farm Credit Act was improved and the agricultural stabilization board was established. Moreover, the Conservative government included a minister who really understood eastern agriculture and who wanted to consider the problems and the needs of agriculture in eastern Canada. But, the very people who yelp the loudest today contributed to defeat the government of that day, for they were anxious to go again to the people in order to try, once more, to exploit human misery and stupidity, and also in the hope of forming a government able to better

apply an unexplainable, illogical and unrealizable monetary theory—

Mr. Langlois: Mr. Chairman, may I direct a question to the hon. member?

Mr. Paul: Certainly.

Mr. Langlois: Mr. Chairman, can the hon. member explain the present monetary system, if he understands it?

Mr. Paul: Mr. Chairman, the present monetary system is based on common sense, and not on theories which Social Credit members themselves do not understand.

During the last election we heard members belonging to the group on the far left promise $100 per month per capita in the province of Quebec, until the hon. member for Red Deer (Mr. Thompson)—who was head of the party at that time and who certainly showed more intelligence than those who are interjecting at the present time—warned the Canadian people that such a theory was impracticable and that it was not the monetary policy of the Social Credit party.

Mr. Chairman, I do not think that those individuals have much to their credit to help eastern agriculture and I feel that we can legislate without their help.

I am happy to see the interest with which the Minister of Justice (Mr. Favreau) is following the debate. I ask him to believe that the suggestion I want to make is free from any political consideration and free from any criticism.

Mr. Chairman, I am wondering if the Minister of Justice could not consider the possibility of setting up a commission to find the reasons why feed manufacturers are always exploiting the farmers. As a matter of fact, when the price of pork, eggs and chicken goes up, the feed manufacturers never fail to increase the price of their products; therefore, the farmer is in their power to such an extent that he is no longer master in his own house.

Mr. Chairman, I must say to the Minister of Justice that this problem is very serious and deserves to be studied. I think that all eastern farmers would benefit from an investigation which, in my humble opinion, would prove very clearly that there is an understanding between the feed manufacturers who combine their efforts to enslave the farmers while they unfortunately do not have the income they need to meet their obligations.

When that committee is instituted, I wonder if it should not inquire also about the ever increasing prices of farm machinery which the farmers cannot do without to work their farms competitively because, in that field also, there are abuses and scandals.

I know that the Minister of Justice, although well-meaning, lacks experience. That is easy to understand, because there is not a single farmer among the Liberal members from Quebec.

The minister should consult experts in agriculture. He should have the problem explained to him as it is. He should ask the government to bring in a legislation that will really give an income to our farmers. It is very fine to amend and improve the Farm Credit Act, but here again this does not provide farmers with the income they need to operate their farm. As a matter of fact, farmers do not lack borrowing facilities, but they lack the income which would enable them to face their obligations.

I wonder if we should not give serious consideration to the points made many times in this house and which were so well taken again this afternoon by the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp). I refer to the urgent need of implementing that part of the Gill report which would have unemployment insurance apply to farm workers, because farmers are also faced with a serious problem today. Some of them are unable to operate their farm adequately and have to hire helpers, but a few of these, unfortunately, do not want to work there since they are not protected by unemployment insurance.

I am sure the government will realize that those farm workers need to be protected just the same as it was realized that professional fishermen had to be.

Mr. Chairman, I should also like to ask the Minister of Forestry to try and convince the Quebec minister of agriculture of the need for the provincial government, to pass legislation which would parallel that which we have in our statutes concerning crop insurance. We have federal legislation in this field and the provinces have to legislate on the same matter in order to receive the support and assistance of the federal government. I know such a measure is also required to save eastern agriculture. I cannot overlook the many problems facing tobacco growers in the constituencies of Joliette-L'Assomption-Montcalm and Berthier who, often enough, have tremendous losses inflicted upon them by the destructive elements of nature.

I hope that the Minister of Forestry will find a way of convincing Hon. Alcide Courcy, if relations improve. I trust that

the hon. minister will suggest to the government of the province of Quebec to legislate in this matter. More particularly, I hope that the government will find a way to help agriculture indirectly introducing some legislation to remedy the problems of unemployment.

In the former parliament, we had an expert in matters of unemployment, that is the present Secretary of State for External Affairs who, at that time, had a solution for every economic ill in this country.

I know that the Secretary of State for External Affairs has no time to examine the problems of domestic policy, but the farmers as well as the industrial workers and employees hope and wish that this government will find some tonic, some remedy which will give work to the 112,000 unemployed still to be found in the province of Quebec at this time, without speaking of the others who have no job and are not registered as claimants at the unemployment insurance office.

Mr. Chairman, I hope that the government will find the way to create that paradise on earth it offered to the population of Quebec, and the whole of Canada, during the last election. I am sure that the President of the Privy Council (Mr. McIlraith) will offer some advice and suggestions, so that Canada may really know the economic prosperity which all citizens hope for, not only for the welfare of eastern farmers, but of every farmer and everybody else in Canada.

Mr. Langlois: Mr. Chairman, I had no intention to speak about this matter, because I thought that enough time had already been wasted by the Conservatives. Now, I notice that they spent the whole afternoon in politicking, criticism and filibustering, trying to refurbish their political coat of arms. Judging by all I have heard, it does need a good deal of refurbishing in the province of Quebec.

I just heard the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) say earlier today, that the group sitting on the extreme left was the one which had promised a pie in the sky to everybody in the last general election. But I only notice one thing, that the Social Credit bread we offered in the province of Quebec has not yet been digested by the Conservatives. If it lacked yeast for the Conservatives there was enough of it for the electors at the time.

The Conservatives dare to say that the province of Quebec has no chance in the House of Commons when it supports Social Credit. Now, in 1958, they held 208 seats, and after the clean sweep of 1962, they lost 92 seats. That was the loss sustained by the Conservative party. In 1963, it did not fare better, since they again lost some seats and only kept 94. That is how the people are going about getting rid of the Conservative party.

The Conservatives should have put into practice the advertisement so often heard on radio and T.V., on a program sponsored by a well-known tooth paste. If they had done so they would have reduced cavities in their cabinet by some 49 per cent.

Mr. Paul: Could the hon. member for Mégantic tell me how is it that he is so familiar with the cabinet?

Mr. Langlois: It is because I have been sitting in the House of Commons for two sessions, the longer of which is still to come. It was very easy to get familiar with the first government, no mistake about that.

Besides, a great number moved out before the second election, and it is not because they were too well organized. With bad organization, things do not go too well, of course, and if the people do not throw them out, they move out themselves.

As for the cabinet, I think the public saw about moving quite a few of them at the last general election.

I now come to the references made a while ago by the hon. member for Berthier-Maskinongé-Delanaudière about the member for Villeneuve (Mr. Caouette). He seemed to suggest that the hon. member for Villeneuve might not be the appropriate leader. I think we could take a look at the other side of the medal and consider the official opposition. We can see to what extent the leader of the Conservative party has kept the confidence of his followers since he is now walking on a tight-rope, not knowing whether he can pass the next national convention. We should, Mr. Chairman—

The Deputy Chairman: Order. I venture to remind the hon. member to whom I have been listening attentively for a few minutes, that he must limit his observations to the bill now before the house.

Before the beginning of these discussions, we agreed that hon. members would be entitled to discuss general matters, but despite that latitude, which is recognized to hon. members, they must, just the same, limit their observations to the matter now under discussion, that is interim supply.

I do not think that strictly political matters, such as the one just discussed have anything to do with government business.

In other words, what we must discuss and consider at the moment is government administration as it is affected by interim supply.

I must therefore suggest to the hon. member that he should relate to the bill now before us the observations he wishes to make.

Mr. Langlois: I thank you, Mr. Chairman. I was referring to the remote causes of our problems but I was just coming back to the point under discussion. If the estimates now under study have not been passed yet, it is due to the research of the Conservative party. One must stick to the facts. Although we have been discussing these estimates for a week, they have still to be passed.

We too will be blamed, being in the opposition, for not voting supply, when it is well known that this is due to the official opposition's obstinacy.

It may be a good thing not to grant supply in a hurry, but in the speeches made in the house this last week by the members of the official opposition—they have spoken 95 to 96 per cent of the time—they did not suggest very many solutions nor did they make any constructive criticisms likely to help the government with regard to this supply.

[*Text*]

Mr. Nasserden: On a point of order. I think it is very clear that the statement we occupy 96 per cent of the time is not in accordance with the facts.

[*Translation*]

Mr. Langlois: Mr. Chairman, I will take off 2 per cent. I have given approximate figures. There may have been an error. I should perhaps have said 98 per cent. At all events, I will not persist. I said 96 per cent. There may be a margin of 2 over or 2 under.

Coming back to the question raised by the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) who was speaking a moment ago—

[*Text*]

Mr. Nasserden: I rise on a question of privilege. The hon. member is now saying that 98 per cent of the time might have been occupied by us. I think that is a misleading statement to place on record, considering the contribution made by each of the opposition parties to this debate.

Mr. McIlraith: I think I have been reasonably patient but I wonder whether we cannot get back to the clause of the bill before the committee and see whether we can make some progress.

[The Deputy Chairman.]

Mr. Langlois: I will get back to the clause, because as far as I am concerned we would like to get these grants through. I agree with the minister that as long as we are talking about the Conservative party we are wasting our time, either here in the house or outside it.

Mr. Nasserden: I have only a few remarks to make and I will make them brief, since I understand it is desired to get through before six o'clock. First, I should like to impress on hon. gentlemen opposite the desirability of bringing forward amendments to the Farm Improvement Loans Act before the recess. This legislation is urgently required by farmers who wish to purchase harvesting machinery in western Canada. Those who are familiar with the situation there know of the need in this regard.

I should like to say a word about the Agricultural Stabilization Act. This act is a good one, but throughout the years it has been in operation certain deficiencies have become apparent. This is especially true with regard to price support of both eggs and hogs. The situation with regard to eggs has been serious in the province of Saskatchewan and, to a lesser extent, in Manitoba during the last several months, and I should like the men on the treasury benches to give this question some consideration.

Earlier in the session I asked the Minister of Agriculture and the government if they would place this whole matter before the agriculture committee for consideration. The minister and the government have played around with this request and we have not been able to take the matter under review. This act has been in operation for approximately seven years and the time has come when the committee should be able to take a good look at it to see whether some improvement could not be made. Surely, over such a period of time the need for certain improvements becomes evident, and surely hon. members of the treasury benches would like an opportunity to deal with this problem. I believe farmers will be asking a number of questions about the neglect which has been shown in this regard.

I wish to congratulate my hon. friend from Three Rivers and those other members who have spoken about the agriculture problem in the province of Quebec. We on this side

know something about conditions in that province. At the time we were swept from office we were about to embark on a total onslaught upon the agricultural problems in that province. Members on the other side ridiculed the stand taken by our members and by my hon. friend from Qu'Appelle in this regard. I remember the Prime Minister going up and down in Quebec and the maritimes during the last campaign saying: We will do for you what John Diefenbaker did for the prairies. He got his representation, especially from Quebec, and what has he done? Fourteen months have passed since the last general election and not a piece of legislation worth its while has been placed on the statute books. This situation has culminated in a march on the capital of Quebec, an event which indicates that this matter has not been dealt with in a proper way.

I should like also to congratulate my hon. friend from Humboldt-Melfort-Tisdale for bringing forward again his measure urging unemployment insurance for farm labourers. This question has been brought to my attention more than any other in my riding during the last two or three years. I remember that when we appointed the Gill commission to study this problem we were accused of delaying, although we merely wanted to get the facts with regard to this situation. Now the government has had the facts for 14 months but has still not come forward with legislation. I ask hon. gentleman opposite to give this matter, too, their serious consideration.

I think that in view of the hour I will forgo the rest of my remarks I had intended to make to the committee.

Mr. Knowles: Mr. Chairman—

Some hon. Members: Oh, oh.

Mr. Knowles: Just a word. I am sorry the Minister of Industry is not here to reply to a number of requests made by members from Nova Scotia. It seems to me we could let the bill pass, but I would hope that within two or three days the minister might answer the point which has been raised about work at Fairey Aviation. I take it this request is being assented to by the President of the Privy Council.

Mr. McIlraith: Yes. The Minister of Industry was trying to get an opportunity to reply, but unfortunately he had to leave.

Mr. Knowles: I am sure we would all agree to give him an opportunity to make a statement within the next two or three days on orders of the day.

Clause agreed to.

Clauses 2 to 5 inclusive, agreed to.

Schedules A, B and C agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. Members: Agreed.

Mr. McIlraith moved the third reading of the bill.

Motion agreed to, and bill read the third time and passed.

BUSINESS OF THE HOUSE

Hon. Guy Favreau (Minister of Justice): By consent, before the house adjourns until later this evening, I must point out that there has been a mistake made in the motion proposed on Friday with respect to the extension of the hours of sitting which appears on page 4755 of *Hansard* for June 26, 1964.

We read in the fourth paragraph the words: "That when this house adjourns at 6.00 p.m. on Tuesday, June 30, 1964..." That was a mistake. It should have read: "When this house adjourns on Tuesday, June 30, 1964...", and so on.

I understand the house leaders agree that this has been a mistake and there was never any discussion or understanding among the parties not to sit until 10.30 tomorrow evening. By simply deleting the words "at 6.00 p.m." the motion will agree with the understanding reached between the parties.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is so ordered.

It is my duty, pursuant to provisional standing order 39A to inform the house that the question to be raised at ten o'clock this evening is as follows:

The hon. member for Kootenay West: Quebec refunds made to provincial ministry.

NATIONAL DEFENCE ACT

AMENDMENTS RESPECTING REPLACEMENT OF CHIEFS OF STAFF COMMITTEE

The house in committee on Bill No. C-90, to amend the National Defence Act—Mr. Hellyer—Mr. Lamoureux in the chair.

An hon. Member: Six o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Chairman: Order. The house in committee of the whole on Bill No. C-90, to amend the National Defence Act. Shall clause 1 carry?

On clause 1—*Duties of chief of the defence staff.*

Mr. Churchill: Mr. Chairman, surely we are to have a word from the minister. We had second reading of this bill some considerable time ago; it was referred to the special committee on defence, it was discussed there, expert witnesses were called, and the minister is now coming back to the house asking the house to approve the bill. But he does not want us to be just rubber stamps, surely. Can we not hear from him as to the type of evidence that was given at that committee and the general criticisms, if any, of the bill as it was presented? Let the minister outline for us now what has been the decision of the defence committee. We surely should have a report before we proceed any further.

Mr. Hellyer: Mr. Chairman, Bill No. C-90 was discussed at some length on second reading in the house on May 8, 11 and 12. Debate at that time included many aspects of defence policy not directly related to the bill, but on May 12 second reading was given and the bill was referred to the special committee on defence. This committee started its deliberations on May 26 and the associate minister and I appeared before the committee at this and subsequent meetings. The committee also heard a number of outside witnesses, including the deputy minister and three former serving officers. Finally, the committee agreed to refer the bill back to the house unamended.

I might say that this committee, under the able chairmanship of the hon. member for Broadview, continues to set an outstanding example of how a committee of this house should conduct its affairs. In view of the lengthy and detailed discussion which has already taken place, I do not think it is necessary at this time for me to add anything further. Bill No. C-90 calls for an amendment to the National Defence Act, substituting one defence chief of staff for the chairman of the chiefs of staff committee and the three chiefs of the individual services. This bill implements government policy set out in a white paper on defence and is the necessary first step to bringing about integration of the three headquarters leading, we hope, to increased efficiency and a reduction in overhead expenditures. I would suggest, Mr. Chairman, that we might now proceed with clause by clause discussion of the bill and then to third reading.

[*Translation*]

Mr. Ricard: Taking part in the debate, I have no intention of pretending to be an expert on defence matters but I would like to make a few remarks. First of all, as it is the first time I am dealing with defence, I would like to congratulate the minister for having been chosen to preside over the discussions aimed at ensuring our country's defence.

I would like to have forgotten the remarks made by the Associate Minister of National Defence (Mr. Cardin) when a few years ago I had had a promotion, and offer him my congratulations and convey to him my best wishes for success in his duties.

This being said, Mr. Chairman, I would like to recall to my friends on the opposite side, and particularly to those of the province of Quebec, that there was a time, on account of the name that had been made for the Conservatives, when it was more or less prudent to profess to be a Conservative in the province of Quebec. You will recall that after the war of 1914-18—

An hon. Member: We remember.

Mr. Ricard: —under a union government led by Right Hon. Robert Borden, conscription had been enacted for overseas service. At the time the Liberals had promised, as they have continued to do, that conscription would never be enacted under a Liberal government. It was a union government and, during the years that followed the war of 1914-18, as my friends from the province of Quebec remember, because they benefited from it many times and even took advantage of the situation to turn into ridicule those of the Conservative party and to present them as being enemies, and this more particularly of the French Canadian nation. They were accused of having sent the best of our sons from French Canada to be slaughtered.

That happened because the Liberals of that time had not wanted to take the responsibility that was theirs as much as that of the Conservatives.

The Chairman: Order. May I interrupt the hon. member in order to remind him that under the rules, the discussion at the committee stage must be strictly pertinent to the measure under study. I admit that on the first section of a bill, hon. members can embark on a general discussion, but it must be pertinent to the measure under study. Now, if the hon. member reads the explanatory notes, he will see that the purpose of the bill is to make some appointments or changes in the general organization of the Department of National Defence, and I suggest to the hon. member that he should restrict his remarks to the bill now before the house.

Mr. Ricard: Mr. Chairman, I thank you for your remarks; this proves that I was right when I stated at the beginning of my remarks that I did not intend to pose as an expert on national defence matters.

I merely wanted to use these few remarks as a preamble to other observations I want to make, for I intend to recall for a few moments memories which are perhaps a little bitter to my friends from the province of Quebec, by speaking of nuclear weapons. As a matter of fact, our friends from the province of Quebec especially committed themselves during the last election campaign, particularly during the 1963 campaign, to prevent the use of nuclear weapons on Canadian soil, and everybody knows the various phases of the negotiations which finally resulted in the storage of nuclear weapons on Canadian soil.

Some hon. Members: Order.

Mr. Ricard: Mr. Chairman, I appreciate that our friends opposite do not like us to remind them—

The Chairman: Order. Once more, I take the liberty of calling the hon. member to order. I will not repeat the remarks I made earlier, and I ask him to limit his comments to the bill before us. Moreover, I do not believe that the nuclear arms issue is included in the subject under discussion.

Mr. Ricard: Thank you again, Mr. Chairman, but in view of the fact that I had but a few moments to prepare my remarks, I, like you, am not surprised to find out that I wander a little, but you must acknowledge the fact that I was still speaking on the matter under consideration, the purpose of which is this country's defence.

In view of the fact that this new measure has to do with the integration of the defence facilities, I would suggest to the Minister of National Defence (Mr. Hellyer) to take full advantage of the advice of his associate minister. And I would suggest to the latter that he consider his responsibilities as being different from what they were at the time he used to speak to the former associate minister of national defence. I am convinced that he has realized the necessity of those functions and we shall await with eagerness the results of his efforts for the common good.

[*Text*]

Mr. Brewin: Mr. Chairman, my remarks on the committee stage of this bill can be very brief.

Some hon. Members: Hear, hear.

Mr. Brewin: If I get that much applause I may be encouraged to prolong my remarks. We explained the views of this party on second reading of the bill. We explained that in our view the bill was a useful piece of machinery in that it led toward the idea of integration at the top level, which we thought was a good thing. Since then our representatives have sat on the committee on defence which spent several sessions going in great detail into the provisions of the bill, as explained by the minister and others. I just want to say that perhaps it is a rather extraordinary circumstance that the committee unanimously agreed to report the bill back without changing one comma or one word in the bill. This is probably a fairly unique record, as far as the house is concerned.

However, I should just like to point out to this committee that that does not mean that we have reached the millenium and arrived at a completely non-partisan view in all matters relating to defence. It just so happens that this particular piece of machinery is one that the minister has succeeded in persuading us is necessary and advisable. We thought so before, and we have not been persuaded otherwise. While on the subject of defence much is to be said about nuclear weapons and integration, this particular bill, which only deals with one aspect of the matter, namely substituting a chief of the defence staff for a committee of the general staff chiefs, we believe will be helpful. We look forward with a great deal of interest to seeing how it works out and we will avail ourselves of later opportunities to discuss the wider issues of defence.

I may say to the minister that I have grave doubts, as he knows about the policy announced by the government in the white paper, and our willingness to accept this

bill readily and with the minimum of debate is not to be taken by him or by anyone else as any indication that we will not be vigorous in our attacks on defence policy generally, which we thought, despite the plaudits received by the minister from many quarters, is subject to serious doubt and question in our minds. But this does not seem to be the right opportunity to go into that matter. There is nothing about this bill to complain of, so I think the most sensible thing for us to do, when we have nothing to say, is to say nothing. Therefore I will resume my seat.

Mr. MacRae: Mr. Chairman, I have two or three questions I should like to ask the Minister of National Defence or the associate minister. Perhaps they would make a note of them and either answer them when I finish or when the minister closes the debate.

Would the minister advise whether, in the drafting and preparation of the bill by him and his officials, he had the benefit of the experience of other nations of comparable size or greater size than Canada who have attempted integration of their forces in the past decade or two. If he has had the benefit of that experience, would he advise what that experience showed. I understand that in the forces today there has been a certain amount of unification in the chaplaincy corps, the medical corps, and in the dental corps. It is my understanding that even though these services have been unified there has been no real saving in the final analysis. I think in the case of the chaplaincy corps, it resulted in more senior officers in the corps than before unification took place. I should like the minister to give us his advice about this matter.

Finally, a question which disturbed me in the committee. We have a deputy minister of national defence and an associate deputy minister, and in talking to these officials it seemed to me that the duties of associate deputy minister were rather light and sketchy. There seems to be a waste of talent here, if the associate deputy minister is not given more duties than he has been up to the present. Perhaps the Associate Minister of National Defence would care to comment on that particular matter later.

From what I have seen of the forces in the last few months there seems to be a considerable loss of morale, especially in the air force. I think a great many of the men are uncertain about what will happen to them. The announcement that some four or five hundred officers are to be discharged has had a disquieting effect, so perhaps the minister will report on what he has found in his travels among the forces with regard to the suggestion of integration.

Mr. Herridge: Mr. Chairman, I do not want to take too long, but I am interested in the terms of the bill and the provision concerning the appointment of a chief of defence staff. I presume he will be chief adviser to the government. We all remember that during the election the Prime Minister said that he considered Canada had made a commitment in respect of nuclear weapons but that he would do his best afterward to commence to negotiate out of the nuclear role on behalf of Canada. When the minister replies to the various questions I should like him to inform the house if the chief of the defence staff as the chief military adviser to the government will be asked to consider this question, and to make proposals that will assist the Prime Minister in his negotiations with other countries in order to escape from the present nuclear role that we occupy.

Mr. Patterson: Mr. Chairman, I rise to make a few brief observations on this measure. In the course of the debate on May 8 I stated that I thought the minister should be commended for taking a step that was long overdue, because I am fully convinced that in matters of national defence as in so many other fields a streamlining of organization and operation is absolutely essential. I think we are more or less in agreement that is what is needed in parliament, and if we go right across the whole field of endeavour I think we have to bring our organization and operations up to date. That means streamlining in order to make them more effective and more efficient in this modern age.

Therefore I believe that in establishing this one particular post in preference to the several we have had before we are moving in a direction that is absolutely essential and I would suggest that possibly it accentuates the importance of maintaining complete civilian control. One military man will now head up the organization and, as I have said, it seems to me that this should impress upon us the necessity of seeing to it that strong, civilian control is maintained over our whole defence establishment. We believe that the bill as it is now before us is a good measure. The principle is a good one. Therefore we support the bill and we reserve other observations for the various clauses.

Mr. MacLean (Queens): Mr. Chairman, from the remarks that have been made by the hon. member for Greenwood and other hon. mem-

bers who have spoken on this very important bill the impression seems to have been left that the committee on defence approved of the bill completely. It is true that technically it was passed without any amendment, but to draw from that the conclusion that the committee thought it was perfect or even a good idea is not a correct assumption. As a matter of fact the bill, although it is a short one and seems innocuous—because in effect all it does is to replace the three chiefs of staff with one chief of the defence forces, together with some consequential amendments—is a most important one. One might get the impression that because of the brevity of the bill it is not one of very great importance. Nothing could be further from the fact, because in the bill we are embarking on two principles as far as national defence is concerned, or we are perhaps embarking on one trend and continuing another which already exists in the National Defence Act.

The fact of the matter is that some members of the committee and numerous witnesses who appeared before the committee, such as Brigadier Malone and, speaking from memory, Air Marshall Curtis and some others, had very grave doubts about the wisdom of proceeding in this manner. In listening to the minister give evidence from time to time before the committee I could not help but get the feeling, and I do not say this in a critical sense, that there was a frightening naïveté in that there seemed to be a subscription to the principle that progress is automatic, that all you have to do to achieve progress is to change things and if you change them it is progress. This, of course, is a very dangerous principle on which to proceed. We have to recognize that changes can be retrogressive as well as progressive, and that you do not just go blundering around changing things for the novelty of it, like some neurotic woman who is always changing the furniture in a room because it gives her a sense of relief or something. I have a feeling that there is a bit of this in the planning of the Department of National Defence.

As far as integration is concerned—and presumably this is the first step in this important matter—I think there is a lot that can be said in favour of it, although not for the replacement of the three armed services by one. I would violently oppose such a program. If we scrap our traditional three forces entirely and substitute therefore one force, perhaps with a green uniform or something of that sort, if we do away with all the traditions that have grown up over the years in the army, navy and air force, especially those army traditions that have grown up within the various units, if this first step we are now taking leads eventually to a program which will have that result, I think it will be a very unfortunate result.

However, the bill does not go that far. It only substitutes one chief of defence forces for the present three chiefs. But in this regard it can be looked upon as the first step in the direction of amalgamation of the three forces, or the replacement of the three forces with a new superforce, or perhaps just the co-ordination of the three forces, a knitting together more closely of the three forces by means of task forces made up of elements and personnel from all three of our forces for a particular duty. If the objective is the last name, I would support this trend fully; but if by starting on this road we end up by having one defence force, one uniform, no traditions and a complete obliteration of the marks of difference between the three forces that exist now, I would have very grave doubts about the wisdom of proceeding that way.

As I said when I commenced my remarks, the bill seems to be brief and to the casual observer a rather innocent sort of thing. It simply seeks to have one man replace three, which seems to be a good idea. But I was rather amazed at the minister's reasoning when he introduced the bill on second reading. He paid tribute to the Associate Minister of National Defence and said something to this effect, that if it had not been for the associate minister and all the work he had done in this connection it would have been impossible for the department to proceed as far as it had in certain directions. Then the minister proceeded to introduce a bill to replace three men with one. Following the same logic, the chief of the defence staff will be able to accomplish only one third as much as the three present chiefs of staff and half as much as the two national defence ministers.

He is going to have quite a job. From now on, we are going to have one chairman of the defence staff reporting to two ministers, whereas up to now we had at least three defence chiefs to keep two ministers occupied. One wonders, if this principle is followed, why it would not apply to the ministry itself. Why should we not combine the two portfolios into one, or perhaps even three portfolios? If you are combining the three chiefs of staff, why not combine the three ministers —the minister, the associate minister and the

Minister of Defence Production—into one portfolio, or something of this sort, to eliminate waste and duplication? Presumably, this is the sort of thing we are doing in connection with the armed forces.

Then of course this procedure might run afoul of another government policy which was to divide some departments, such as the Department of Agriculture which, at one time, was to have a minister for the east and a minister for the west. Northern affairs might want to have a minister for the north and one for the south. We have a Department of National Defence with two ministers. I am not complaining about that fact. My remarks in this connection might sound a little facetious, but they are not intended to be. They are simply a test of this theory that by replacing three men with one you are going to effect economies. I do not believe it necessarily follows, because this one man may need far more men to help him in his immediate job than the three men put together required. The savings may not be as great as anticipated.

However, there is another and more important concept, so far as national defence is concerned, in relation to this bill. I want to talk about it for just a few minutes, Mr. Chairman. If one peruses statutes of Canada, he finds that there are fairly extensive acts setting up the various departments of government. Parliament has been quite specific in these acts in outlining the responsibilities of these departments and the various acts that are to be administered by them. In the case of the Department of National Defence, the National Defence Act is very brief so far as setting up the framework of the department is concerned. Practically all it does, in essence, is to appoint the chiefs of the various defence forces and set out some other main points of this type. Then, there is a great deal of detail with regard to non-public funds and matters of that sort, which really are not involved in setting out the framework of the department. However, the putting of the flesh on the bones, as it were, of the Department of National Defence is all done by orders in council, regulations, directives of the chiefs of staffs, and by some other means. There are no details set out in the National Defence Act that correspond to what is done in the acts of parliament which establish the various other departments of government and which give to the departments the various acts for which they are responsible. This leads me to a very grave problem which we fear this bill seems to ignore.

The government is consciously embarking on this type of policy and therefore it is the responsibility of the government. You can argue both sides of the case, as many witnesses did before the committee. You cannot therefore prove categorically that one thing is right and the other is not so good, or one will work under certain circumstances and not under others. The main question is this, whether parliament shall have, in effect, one individual, in this case the chief of the defence staff, who is going to be answerable to the minister for the defences of the country, or whether you are going to have a council, each member of which is appointed as a result of legislation and whose duties are specified in that legislation, so that he can be held responsible if a particular phase of defence is not up to par. There have been times in the past in British history when they had the chief of staff concept, that is total responsibility of a single individual rather than the committee system. Back in the last century, they found that there was grave danger in this system because inefficiency in the defence forces could grow up without parliament being advised sufficiently of the situation or without parliament being able to pin the responsibility on a particular individual.

In this system, the minister finds himself, in the last analysis, completely dependant on the advice of one man. If that man has particular theories as to what defence should be, it is only natural he will gather around him other senior officers who think in the same way as he does. He will then be in a position to have unanimity in the planning of the defence forces. If someone disagrees with him, he is only an adviser and can be replaced by someone who is more amenable to the points of view of the commander in chief concept which we have in this bill—one chief of the defence forces. As various witnesses pointed out in the committee, it is absolutely essential in a theatre of war, under wartime conditions, that the commander of the forces should have absolute control as to what he should do and that his orders cannot be questioned by a committee, countermanded at will, and so on. This is not a military operation. We are talking about the administration of a department of government which is set up to safeguard the country as best it can by having defence forces and administering them efficiently.

Now, how they operate in the field is a question for the military experts. This is not a question for civilians who are not trained

in that particular profession. But when it comes to the general question of administration, it seems to me the minister would be in a far sounder position if, as is the case in Britain, we had the committees system where the various members of the appropriate defence committee are responsible to the minister. I am using this term loosely, not in the technical sense. In Britain they have particular names for these committees, depending on whether they are for the navy, army or air force. There is the air force board, the army board and the admiralty board in the United Kingdom. In effect the members of a board are directly responsible to the minister and are not just in an advisory capacity to the chief of that particular branch of the armed services. In this way valid differences of opinion become known to the minister.

I want it clearly understood that it is not because of any lack of confidence in any particular individual that I have doubts about the system proposed. It is just because human nature being what it is nobody is perfect, and in my judgment when you have one man with total responsibility for large segments of the defence forces, and for policy, there is a certainty that, being human, he is going to make mistakes. Then there is a danger that these mistakes will not become known and recognized as quickly as they should be, because it is human nature to tend to defend one's position, whether it is right or not.

When you have this sort of set-up there is a danger that a bad decision will be defended for a long time, in fact until a great deal of damage has been done, and it will not become evident that there is a mistake until a lot of effort and possibly money has been wasted pursuing a particular course.

If we even had an inspector general of the defence forces, that would be an advantage, because then you would have the effectiveness of the forces under review by a technical expert who would be reporting directly to the minister on any flaws which his judgment told him existed in the armed forces. This would be a reasonable precaution. Otherwise the minister would be in the very difficult position in that his chief adviser on defence matters would be the man responsible for the shape, posture and condition of the defence forces. Under those circumstances weaknesses in the set-up would tend to be screened from the view of the minister, so long as it were possible to do so. In fact there might not even be a conscious screening of dangers from the minister. These dangers might be pointed out to the chief of the defence forces but, because in his own mind he sincerely believes the forces are the best possible under the circumstances, he would inform the minister of his own view and the minister would not be made fully aware of other points of view.

I do not want to prolong this discussion. I have spoken longer than I expected to, but I just wanted to point out that members of the defence committee and witnesses who appeared before it raised grave doubts as to whether this is an improvement or a retrogression. Such doubts could be cured by having a defence council. There should be some latitude as to who the members of that council should be, but their positions would be specified by a bill, similar to this one, amending the National Defence Act. In fact this could be done, whether we had separate defence forces with three chiefs of staff or just one chief of staff. This is something that should be carefully examined by the government.

I, and many others far more expert than I would ever hope to be, have misgivings about this proposal. In other words many of us are not sure whether certain aspects of the bill are advancement or retrogression, in so far as efficiency of defence work in peacetime and the administration of it by the department are concerned. However, presumably on the best advice it could get, the government has embarked on this program. It is the government's responsibility to do that. All I can say is, heaven help it if it is a blunder.

In conclusion, Mr. Chairman, the position of our party in this connection was set out by the hon. member for Calgary North, when he said during the course of the committee hearings:

> Mr. Chairman, I have really no further questions to put to the minister. I am not going to take up the time of the committee to repeat the points already made here, but I would like to say that I think that a lot of the points that Brigadier Malone brought up, which the minister has dealt with, chiefly in regard to the dangers of what amounts to a supreme commander, and particularly from the point of view of leaving the minister, whoever he may be, in the position of having only one military adviser, is a very dangerous precedent. It is a matter of going back, as Brigadier Malone pointed out, to a system which was tried for a long time in Great Britain and other countries and found wanting. I regret that the type of organization, more along the line of the one which exists in Great Britain or the type of thing which was suggested by Brigadier Malone, is not being put into effect.

Mr. Lambert: Mr. Chairman, I spoke at some length prior to this bill being sent to the special committee on defence, but there have been some points raised during the committee hearings that I feel I must underline once more.

As a member of the defence committee and on behalf of the official opposition I do say that while the principle of the unification of command is endorsed by us, yet we have some reservations about some of the consequences thereof. First I want to reiterate what my colleague, the hon. member for Queens, has said—and the minister knows my represensations and queries on this—that we are not satisfied the minister has the necessary framework of civilian advisers responsible to himself, rather than to the department.

Second, so long as we are talking about the unification of command, that is one thing; but there has been a great deal of loose talk about integration.

Frequently from the government we hear some odd predictions as to what may happen by July, 1967, without really thinking it out. I must warn the minister in this regard that there should be as full a disclosure as possible. Speed need not necessarily be the principal motive of the minister. I have had an opportunity during the last few weeks to talk to many of our servicemen and, let me assure the hon. gentlemen, there are a lot of questions in their minds. I do not know to whom in the armed services the minister has spoken. I know what happens when a minister visits a military establishment. He gets the official view, but no one dares to talk frankly from the lower levels. This is endemic in the system.

As a consequence of the reduction of personnel there were some 500 airmen selected for release recently. I believe we have seen headlines saying that 10 per cent of flight crews were to be released. This information may be reasonably accurate, or it may not. In any event I must say there is a great deal of dissatisfaction in the air force about what is happening in connection with these releases. I should like the minister to tell us what criteria were used to establish which men should be released. I have heard stories that young pilots whose careers were entirely ahead of them, men who had been trained at tremendous cost, are chiefly among those to be released. And where are they going? I am told many of them are going south of the border to obtain employment with United States air lines. I am informed that in training one unit where there were eight instructors, seven of them have been slated for release. I would wish that this information were inaccurate, because if it is true it represents a monumental blunder to take seven eighths of a unit's training instructors and release them. What sort of efficiency results from a decision of that kind? If it is intended to release personnel from the army and the air force there are hundreds of jobs where men are piloting desks—jobs being done by men who are approaching the end of the road and serving their time before drawing their pensions. Those should be the men to be released at this time, rather than young men who have been trained and from whom we have so far received little return.

The minister may not know this, but actions of this type are seriously affecting morale. It may be true that within the junior ranks the prospect of integration is popular in certain sectors. However, I am speaking about these present releases. Actions now being taken have really shaken morale. I should like the minister, as I say, to give us some indication of the criteria being used to select personnel for release. Is it being done by using an IBM machine—certain cards being put into the machine, and out they come for release, those with certain qualifications or characteristics? We need some clarification of all these things; otherwise we can only be critical of the action of the department in selecting the personnel who are being released at this time. If the operation is carried out in this way in the air force, what is going to happen in the army? Is it the intention to take young officers who have been trained at high cost and from who we have received little in return, and release them, first?

I can assure the minister there are many other sectors within each of the services where the administrative set-ups could be combined. The recruiting services are an example. The practice on some occasions has been to take a pilot from overseas and put him in a recruiting office. Surely the department can do better than that. Surely you do not need an officer from each of the services to man a recruiting office. Take movement control of personnel: Every service has its own way of doing things. Pay is also handled differently. These, I suggest, are the areas in which real economies of personnel could be secured without a reduction in efficiency. The armed services are still fighting a considerable paper war, and the men employed in the services are the people who will tell you they are doing this.

Since I have spoken before, and since other members on this side of the house have made some inquiries of the minister, I think I will end my discussion of this item and bring it to a close.

Mr. Churchill: I think we should examine this bill which has come back to us from committee very carefully.

I am not suggesting the committee did not do an effective piece of work in examining the measure, but on reading over the evidence taken before that committee I express some disappointment that the subject was not covered in more detail.

The committee heard a statement from the minister and then listened to certain expert witnesses including Air Marshal Curtis and Major General Macklin. Officials of the Department of National Defence gave evidence also, and the committee heard a considerable statement from Brigadier Malone. But I do think the committee might usefully have made a study of the Lord Esher report which has been referred to on several occasions, as well as a study of the system now operating in the United Kingdom, and incorporated its findings on these two matters in the report.

As a matter of fact, I asked for this on May 8 as reported at page 3091 of *Hansard*. My words at that time were:

> So I sound this cautionary note at this time for a consideration of the matters drawn to our attention by Brigadier Malone—

This refers to various articles he had written

> —for a study of the Lord Esher report, for a study of the system operated at the present time in the United Kingdom, so that we do not, in the haste for reform, make what might become a very serious mistake.

That is the situation which faces us. Eagerness for reform should not lead the government or the House of Commons into an area of error, and I believe there is a chance for very serious error in the reform measure put before us in the present bill.

I realize that the minister has had a first class piece of public relations done on his efforts, and there has been the usual brainwashing with regard to his activities. People are led to believe that this is a major step forward and that something like this should have been done years ago. As my seatmate the hon. member for Queens (Mr. MacLean) has pointed out, it may turn out to be a major step backward because—and I said this on second reading of the bill—the minister is reverting to something which was in effect in Canada 60 years ago, something that was in effect in Britain 60 years ago, and it was changed in both places. Why is he reverting to something that was found faulty in those years. In the interval I do not doubt for one minute that certain discrepancies have crept in, not only here but in Great Britain, and adjustments have had to be made.

We have had the experience in Canada of the blunders that were made in the first world war, and they were numerous; and the blunders that were made in the second world war, and they were numerous. We also had a situation in Korea when we were not ready for that type of action and had to draw hastily from the militia units to throw up a force to dispatch to Korea; and when the 27th brigade was set up in Germany, we had to improvise and draw from various units in this country to provide a composite brigade for that operation. So I would say that although our experience in war has some worth-while aspects, we have committed as a country a great many blunders.

We should be very careful that we are not committing another blunder at the present time. That is why I think very careful consideration of the proposal of the minister is required. I would not be taking up the time of the house on this matter tonight were it not for the fact that I consider this step to be of very great seriousness. I do not profess to be an expert on warfare, but I have made a study of the conduct of war over the years and I am familiar with some of the problems that have faced governments in time of war, the difficulties of commanders in chief commanding in the field, and I have read quite a bit about the difficulties that have beset governments in dealing with the administration of defence departments in this country and in other countries.

So let us not just lightly rubber stamp this bill and say, "Oh, this is a very bright idea from a rising young star in the Liberal party", which is about what is said in the press releases which go out about the minister. He wants me to believe those press releases, but not the ones that pertain to the air division over in Europe, as he said today in the house. I am to believe the complimentary press releases. Let us not be in too great a haste about this matter.

What is the minister attempting to do? He talks, but has not explained this very clearly to the public and the services, about the unification or integration of the services. I think he should make clear in the house tonight exactly what is the situation in so far as the three services are concerned. I read in the committee report of Air Marshal

Curtis talking to scores of officers, and he finds that in the services there is uncertainty as to what is happening. Surely, therefore, it is incumbent upon the minister to make a clear statement right here in the House of Commons so that the people in the services will know where they are going and what is ahead of them. Let him tell us whether we are going to have everybody in one type of uniform, all integrated together; or are we going to keep the three distinct fighting services and unify them in combined operations as was done in war, and leave it at that? Is his unification going to apply only to the administrative services, and that level? These are things that should be said, and said by the minister so that the responsible word can go out.

We do not want to lose able young men from the services, or able older men, just because of a scheme of integration which is not well understood. Why should men who have put many years into the services be now considering getting out in a hurry before some unknown change happens? The minister should give reassurance to these people who for years have been performing commendable service on behalf of their country. These are some of the uncertainties that should be cleared up, and cleared up now when we are discussing this bill which will set the pattern for future activity in this connection.

I mentioned the fact that I hoped the minister would have given us tonight a full report on the examination that the defence committee conducted with regard to this bill. The minister continually disappoints me. He gives a very short statement; he attempts to lull us into sleep, and we are to pass things just because everything is all right in this best of all worlds. Why did he not give us an exact, clear and comprehensive account of what transpired in that committee? He did not even mention the names of the expert witnesses. I noticed that when he was dealing with some of the statements made by Brigadier Malone, he brushed them aside. Brigadier Malone had made his presentation earlier to the committee, on about June 3, and on June 9 the minister offered his rebuttal. There is this interesting paragraph in the proceedings of the committee:

> In commenting on what Brigadier Malone had to say, I think that in fairness to him I should point out that he himself admitted that, due to the fact that he had been out of the country recently, he had not been able to follow the proceedings of the committee prior to his appearance. Thus, he was not aware of the discussions that had previously taken place, including my statement to the committee on May 26.

The inference there is that Brigadier Malone, having missed the statement from on high on May 26, was of course, not apprized of what really had been going on and was not competent then to offer criticism. I have read the statement that was made on May 26, and I cannot say that I learned much more, if anything, from it than what the minister had said when we debated this subject in the house. So the minister attempts to brush aside Brigadier Malone.

Let me point this out to the house, because the house has to take the responsibility; we do not foist this off on the defence committee. The house must know what it is about. It is the house that passes this bill after study by the committee; it is the house that has to make the decision. I find that there were three points of view presented to the committee by these three distinguished gentlemen who appeared there. Air Marshal Curtis, as I take it, did not like the idea of abolishing the heads of the three services. Major General Macklin was all for that change, and in his usual forceful and forthright manner he expressed his opinion on quite a number of subjects pertaining to defence, and one of them had to do with that. I have the greatest respect for Major General Macklin and have followed his career with a great deal of interest. I had the pleasure of working with him for a short interval toward the close of the war; I have followed his writings over the years with intense interest and have agreed, I think, with about 99 per cent of them. But I note that Major General Macklin had this to say with regard to the appointment of one person as supreme commander. As reported at page 210 of the committee report he said:

> The whole thing depends upon the wisdom of the government in selecting the right chief. That means a man in whom they have confidence and who is qualified.

That is the nub of the matter, and this statement will apply to any government as the changes are made.

Now, what happens if the government selects the wrong chief? The system breaks down. This was the testimony that we got from Brigadier Malone, as he based it on the experience in England. I think from our knowledge of the first and second world wars we would say that that is where the danger lies. You do not always select the right man, and then trouble occurs between the minister of defence and the commander in chief. One

or the other has to give ground. We were not free from that in the second world war, when the government, I judge, was in a bit of a quandary for quite a while with regard to its commander in chief in the field before we invaded Europe. There was quite a little trouble in the first world war with a minister of national defence who caused endless concern to the people serving under him, and even more concern to his cabinet colleagues. So that getting the right man for the job is not easy.

As Brigadier Malone pointed out from the experience in Britain, that is where the trouble arises. You may have a very strong minister and a weak supreme commander. Or vice-versa; you have a very strong supreme commander and a weak minister, and you get into trouble. One or the other has to give way.

I should like to put on the record what Brigadier Malone said about this in his submission to the committee, as reported at page 146 of the report; and I would hope that the committee of the whole house would weigh some of this evidence. He said:

> Assume for a moment that we could find a paragon of all the virtues to occupy the post of chief of the defence staff, in fact, a commander in chief. Look at the position in which he would be placed. All his professional associates would be junior to him, accepting his directions and orders and therefore not likely to challenge his decisions and no power to veto his projects. Above this one, top expert or professional soldier are the amateurs or civilians, in many cases not qualified or prepared to question his professional advice. It is hard to believe that such a top chief would not have some blind spots, some professional biases, some personal prides or fixations which would cause disaster. Surely the matter of national defence and the huge costs involved should not be subjected to such hazards. Certainly from an individual standpoint it is much easier to operate by yourself and be the complete boss and not have the problem worked through a committee, but it is not the individual interest we are thinking of here but the question of what is the right thing for the country.

The late Mr. Grant Dexter wrote on this subject back in 1942, and although Mr. Dexter and I disagreed on political matters I always respected the very able research that he put into any subject on which he wrote. This is what he wrote in 1942, and it is applicable to this particular case. He is speaking of the action taken in England in 1904:

> The commander-in-chief was abolished for reasons which the Esher committee regarded as decisive. They were expressed by Mr. Balfour in the British house of commons and they apply to any minister who tries to control the army without the aid of an army council. To retain the commander-in-chief, said Mr. Balfour, meant that he would advise the secretary of state—then minister in Canada—and thereby the secretary must be destroyed. He would inevitably become only the nominal head—the puppet of the commander-in-chief, the mouthpiece only. ...For a minister to deal directly with individual military experts is to place both minister and expert in a 'false position'. The minister must either confirm the expert's decision, in which case his position as superior authority is a mere form, or he must enter into the reasons for and against and decide afresh, in which case the expert becomes superfluous. It is bad organization to have two men (the minister and the expert), one over the other, to do the same business.

Brigadier Malone observed with regard to that:

> It is my own conviction that the defence forces of Canada will be much more effectively directed by a defence council of both military and civilian personnel, rather than by a single officer directly under the minister. I would further suggest that each member of the defence council should be specifically charged by statute with clearly defined responsibilities. In my own opinion areas of actual responsibility are far too vague under our present system. I am convinced that these senior service members of the defence council should take their orders from the council as a whole not from a single commander-in-chief—or chief of the defence staff—call him what you will.

That, Mr. Chairman, is the nub of the matter. Do you have one supreme commander, or do you have a defence council which gives instructions to that commander?

Mr. Hellyer: Would the hon. gentleman quote the source of the article to which he referred?

Mr. Churchill: That last statement was Brigadier Malone.

Mr. Hellyer: I thought that was Grant Dexter you were quoting.

Mr. Churchill: It was the submission of Brigadier Malone immediately after he had read the comment made by Grant Dexter.

The minister attempted to answer some of the questions which Brigadier Malone put in front of him when he made his submission to the committee on defence, and I should now like to bring the minister back into the picture again. As reported at page 212 he said:

> I would like, therefore, to take each of these questions in turn.

These are the questions put forward by Brigadier Malone.

> The first: "Will the proposed chief of defence staff be accepting orders, directions and decisions from the defence council, or will he, in fact, be imposing his decisions on this council?"

The ministers goes on as follows:

> The answer to this is that the chief of the defence staff will be accepting orders from the

minister and associate minister. These orders will be based on decisions taken following full discussion within the defence council.

So here you have two men, the minister and the chief of the defence staff, and the chief takes his orders directly from the minister. The minister may not know anything about defence.

Mr. Mandziuk: Does this one?

Mr. Churchill: What position does this put the chief of the defence staff in? I continue quoting:

His second question was: "Will other members of the defence council be in a position to question him or overrule him or veto his decisions?"

The minister replied:

The defence council will be the senior policy making group within the Department of National Defence under the chairmanship of the minister and all members of the defence council will be perfectly free at all times to ask any questions they so desire and to express their opinions on any subject which is before the council.

He did not answer the question except in part. The question was: Will they be able to overrule him or veto his decisions? The minister simply says that they can express their opinions on any subject which is before the council. That is what he says to us here: You can express your opinions on any subject with regard to defence. I recall that when I asked him last year in the defence committee if he wanted the advice of that committee he said "no". We sat for week after week knowing that the minister did not really want our advice. He does not want mine tonight, but I am giving it to him.

The third question was: "Will other members of the defence council be junior and subordinate to him?"

To the chief of the defence staff. The minister replied:

The answer to this is...that the membership of the council will consist of the minister, the associate minister, the ministers' parliamentary secretaries, if applicable, the chief of the defence staff, the vice-chief of the defence staff, the deputy minister and the chairman of the defence research board. Of these, only the vice-chief of defence staff can be considered subordinate to the chief.

Then there are some other questions which I do not think I will go into at this time, with the exception of this one:

"Will the chief of the defence staff be the chief adviser to the minister? Officially, will other members of the defence council have to speak to the minister through him?"

This was the minister's answer:

The answer to the first part of the question is that the chief of the defence staff will be the senior military adviser to the minister. To the second part, other members of the defence council will speak in the defence council directly to the minister, if required, and...both the deputy minister and the chairman of the defence research board will have direct access to the minister at all times.

Another question asked by Brigadier Malone was:

"Will the actual authority for carrying out the government's policies as directed by the minister be vested in the council or in the chief of the defence staff?

This is the crux of the matter. The minister replied:

The answer to that is that the policies of the government will be carried out by several members of defence council in accordance with their responsibilities.

That is not very clear. I think what the minister is aiming at is having a supreme chief of the defence staff to whom he will give his orders, and that chief will give his orders down the line. The council that the minister talks about will just be an advisory council, free to express their opinions on any subject under the sun but having no authority to give instructions. In my opinion this is the point at which the mistake is being made.

According to the experience we had in this country many years ago and the experience in Great Britain, and both countries have had experience of war, there is an advantage in having a council which takes the responsibility and transmits its orders to the chief of staff rather than having him as a supreme commander. It is not only a question of limited aspects of the service. The council, if it had full authority, in addition to surveying all the aspects of military service would be able to give instructions so that there would be a proper balance in our services. The function of our armed services is to be ready for war in case of emergency and the council should be prepared to give the necessary instructions, with the minister being answerable to parliament for the activities of that council of which he would be a member. But if the bill of the minister is accepted we will have the minister still responsible to parliament for activities within defence, but there will be one man and one man only who will carry the responsibilities one step further. If there is a conflict of interest somebody will have to go, either the minister or the chief of the defence staff.

This is the danger inherent in the bill before us and it should be guarded against. Some may say: The man we have in mind for the chief of the defence staff right now

is a very able man, and I express no doubt on that score whatsoever. Perhaps his successor will be too, and maybe his successor; but a bill of this nature is long term, long range planning. Ministers come and go and sometimes there will be an experienced minister and sometimes an inexperienced minister. If there is an inexperienced minister or a minister who during the course of his functions in that job is detracted by other pressing problems, or suffers temporary illness or something of that nature, the supreme commander gains even more power.

Therefore when we make such long range plans we should be extraordinarily careful about what we are doing. The minister has not yet pointed out to the house in what way his plan is superior to the one put before the house by some of us on this side, when we spoke earlier in the debate, and put before the committee on defence by Brigadier Malone. Let the minister tell us the weaknesses, if there are any, of Brigadier Malone's submission and the corresponding strength, if there is any, of his proposal because, as I say, this is a very serious matter indeed and it will have its effect in the future.

We have no idea, and in my lifetime we never have had in this country, when war will break out, or where, or the contribution that Canada will be called upon to make. We have fooled ourselves all through the 20th century. We are very peaceful people, we are not going to participate in war, and all of a sudden we do. Then we find ourselves unprepared for it. Let us profit from the mistakes of the past and make sure that in the proposed reform that is before us now we are doing the right thing. If this is the right thing to do, why was it discontinued in 1904 in Canada and in Great Britain? Why has it not been reverted to in Great Britain? These are the questions I should like the minister to answer.

Mr. Pugh: Mr. Chairman, we have before us Bill No. C-90, an act to amend the National Defence Act. I have read the debates of May 8, 11 and 12 and I was in the house at the time. I have had an opportunity to examine the proceedings of the defence committee, and I feel that as a committee of the whole house we have a very definite duty to go into the bill most thoroughly and also into defence policy generally. There has been enough material brought before the house to show that there is a very strong difference of opinion. Many points were raised by the last two speakers and all of them were good. I would only add to them the speech made by the hon. member for Calgary North during the debate early in May.

A lot of questions were asked of the minister, I don't know, but he seems to see all and hear all, and he speaks damn all when he gets on his feet. I think this is something that he should take to heart. These questions are not put to him to put him on the spot. We are all interested in the defence of this country. We are interested in the defence policy of the present government. We are interested in expenditures. We are interested in how far we are going and not in an airy-fairy ten year plan without a fuller explanation.

The minister referred to his white paper and said that sometimes—I have not got his exact words here—there has been too much criticism; it is too detailed. I put it to him now that there is a happy medium. In other words, he can say something after hearing all and seeing all. I have no doubt the minister, in his capacity as minister and a member of the cabinet, has many things put to him. There are considerations and great ponderings going on, but some of these things must seep down. We are not getting it in this house. Naturally, this bill does not cover all these things, but I do think we are entitled to get at these things.

If I understood the associate minister today when he was asked if he had heard any complaints about the cutting down of the armed forces, he said, "Not to my knowledge." Perhaps the minister heard that statement. I ask the minister now, has he heard any complaints, general or specific, from specific people? Has he had any complaints from those who are under him in the armed services in the highest capacity, people upon whom he must rely? What have they told him? We heard the hon. member for Edmonton West ask about the reductions in the armed services. The questions he asked were good ones because I have heard them myself from members of the armed services. He mentioned air crew and members of the air force. I have heard this complaint myself. I should like the minister to tell us how he went about these reductions. The member for Edmonton West made a very excellent speech about these people.

We undertook a very heavy recruiting campaign on which we spent a lot of money to obtain these people. They received their university education along general lines, and then we find there is a terrific cutting off of these men who have come into Canada's

armed forces with the intention of making it a career. Were these men cut off simply—I see the minister shaking his head, so I imagine now we are going to get the policy in connection with these cut-backs.

An hon. Member: He has no policy.

Mr. Pugh: I think he may have. We are entitled to know whether that is a good policy, and where he got it from. Was it a slide rule deal? Was it an ivory tower deal? How was it arrived at? Some of these young men are married and they have devoted their lives to the particular branch of the armed services to which they belong.

I was speaking about the air force. The training of air crew members, apart from their academic training, is fantastically detailed and very expensive to this country. The member for Edmonton West asked about these desk-bound boys. What was the proportion of these men amongst those who were discharged, or whose discharges are pending? Are we clipping off too many of these air force people who have that detailed knowledge? Are we retaining a great many ivory tower people who probably have greater seniority? I agree with the point made by the hon. member for Edmonton West. He said we had trained these men and they will be needed in our armed forces.

I have gone into this matter in considerable detail. Unless we do get answers from the minister, I think we are entitled to come back and back and back until we do get answers commensurate with reason. The minister gave a slight dissertation on May 12 which is reported in *Hansard*. I have read that speech several times and I ask myself, what did he say other than the broadest generalities? We have in this bill the big chief concept which has been gone into so thoroughly by the hon. member for Winnipeg South Centre. He is quite right. You put everything in one basket and things can happen. I think the remarks he made deserve a thorough answer from the minister. I should like to have an answer myself because I had notes on this subject. I wanted to know why we were going to this one chief idea, when so much criticism has been levelled against it down through the history of armed forces, not only here but elsewhere in the world.

There is no doubt that the Minister of National Defence has made a thorough study of this subject, but we do not have the benefit of his study. I think we are entitled to it. I like that point; who takes orders from whom? I can see the minister, if something did occur which would require his sterling advice on military matters, based on his long background as a military man, arguing with his one chief. Perhaps there would not be an argument because I know the minister fairly well. I can see him pointing his finger at that chief and saying, "You do this". He might be wrong. As one hon. member remarked in referring to the C.B.C., heads will roll. When you get into trouble, heads cannot roll. We have had troubles before. We had a build-up in the armed services on the basis of seniority, and in the last war we had tremendous trouble from policy to actuality. The minister knows that because I am sure, in his capacity as Minister of National Defence, he has studied that situation and studied it carefully.

Then, I am wondering about the Glassco commission and how far it has gone. If we take the minister's word, then I suppose it is part of the ten year plan. The hon. member for Calgary North referred to this and asked what the recommendations of the Glassco commission were. The minister said that, apart from the integration of the forces and increased responsibility to the deputy minister, as outlined in the white paper, many of these recommendations were, in fact, now being implemented. I believe this committee is entitled to know how far you are going to go. What is the policy? What is the objective? What are the total military objectives? How are you going to accomplish them, bearing in mind the questions of equipment, material, manpower and the amount of money we can spend on these things We have not had that. It is sort of like this flexible deal. You go back to it many times and you say, "keep her flexible". How flexible have you got to be?

I go back again to that one instance, the chopping of men and personnel in the armed forces, and the breakdown of morale. I cannot use any other word because that is exactly what has happened. We should know what is going on; we should know how far we are going.

The minister smiles, because I think he has thought of the answer. He is going to say, "Well, you know there are a lot of things I would love to tell you boys about, but I am sorry they are locked away in the secret files and they must remain there." But I do not think he has given us enough. In common sense, I don't think he has given us enough.

We read too much in the newspapers; too many little kites are being flown. We should

have these things put before us in an orderly fashion, so that if there are any areas which the minister cannot delineate he should tell us about them and perhaps, within reason, we would say, "Well, all right."

I go back to the minister's reaction when he was in opposition, when he was a hard working, intermediate backbencher, though possibly on the front bench of the opposition. Now that we are in opposition we want to know more, and if there is an explanation which falls short of what is expected, then we should keep the ball rolling and say, "I don't understand that answer. We should know more." I know the minister knows exactly what I am referring to because these were supplementary estimates which galloped on for the longest time in history and a good deal of the verbiage in *Hansard* was produced by the clack of the present minister, who was the great defence man for the opposition at that time.

He was a critical critic. I think I have put my point across and I would repeat what I said at the outset, that this a committee of the whole house. The minister had his say in the defence committee. He may or may not have answered the questions to our satisfaction, but the hon. member for Edmonton West said there were reservations, and if that hon. member has reservations I am sure they are just. I think we should hear further. I do not think he is the type of man who wants to prod and pry and unleash vital information, like a regular Mata Hari deal. We are making a common sense demand and we are entitled to have the answers because this committee, in the final analysis, is going to pass not only Bill C-90, but also the minister's estimates and the various other productions which he is going to present from now until such time as he is elevated, removed or moved out. But so long as he is sitting there we are going to have these things put before us, and in a great deal more detail.

Mr. Martineau: I do not intend to say very much on this.

Some hon. Members: Hear, hear.

Mr. Martineau: I am glad to see I have support from the other side because it helps the morale to find such enlightened people among others, as the hon. member for Vancouver Quandra, a distinguished member of the committee, approving in advance what I may say on this measure.

So far as integration is concerned, I think we on this side have amply manifested that we are in accord with the principle of integration of the forces, and that is the natural outcome of the vast changes which have taken place in military technology in the post-war years. The roles of the traditional services can no longer be clearly defined and they overlap one another. In view of that development it is only natural that we should use ways to bring the organization of the forces in line with it.

But I think this bill has been greatly overrated and promoted out of all proportion by the minister, his worthy associate and everyone else connected with it. I remember the minister telling the committee that Bill C-90 would make our armed forces the most modern anywhere in the world, but if you ask him how he substantiates such a sweeping statement all he says is, "We are bringing forth an act to amend national defence administration."

If you closely analyse this bill you find there is only one substantive disposition in all of it, clause No. 1, which relates to section 19 of the act, and which refers to the appointment of a chief of the defence staff who will be replacing the present three chiefs of service. There is nothing very revolutionary in such a proposal, and by integrating the chiefs of staff this does not mean we are creating, to use his own words, the most modern force in the world. I notice the minister laughing, and also his associate minister. They think this matter is very funny—and it may be; but in any event this measure in itself does not improve the effectiveness of the forces, nor does it effect any real economy in military spending.

I ask the minister if he can prove that this is not so?

Mr. Hellyer: It is not.

Mr. Martineau: The minister made an observation?

Mr. Hellyer: I just said it is not so.

Mr. Martineau: The minister says it is not so, but he did say in the committee that the purpose of the bill was twofold—one, to make the forces more effective and, second, to realize economies in military spending. With regard to making the forces more effective and modern, all we have here is a proposal to appoint this chief of the defence staff who will be reporting direct to the minister, and in the eyes of the minister this is performing a great revolutionary modification to our armed forces. He thinks our forces will be

a lot more modern because they will be under one chief of general staff, instead of under three persons.

You might well have some kind of an armed force belonging to a very backward country east or west or south of Timbuktu, a newly emerging nation, but all it has are a couple of soldiers with bow and arrows, and these are all placed under one man. But from the fact that these people have been placed under one commander, instead of three, I ask: Does that make them any more modern? The minister may think this comparison has no application to the present case; but it has a direct application. All we are doing here is integration by the top instead of by the bottom, down below. Integration in such a way is simply integration on paper; that is all the minister has so far performed.

I know the minister has a good publicity staff. His public relations are excellent. No doubt they are warranted. He is an amiable man. He knows how to make friends and influence people. He has probably read all the right books on the subject and I think perhaps in this respect the minister is the most successful the country has ever had. In this respect, that is so, but in this respect only—on paper, and as far as spreading the aura of renovation across the country. I myself had the privilege of travelling with the minister a few weeks ago and I had an enjoyable trip. To give an example—I do not think he will hold it against me if I bring this up—to show how well he likes to have his colleagues and other people know in what high regard he is held—and I think he is held in high regard—he distributed in the plane some copies of the Armed Forces Management Review, a United States publication which is supposed to be directed to executives in military affairs, and on the front cover of that magazine was a splendid picture, not flattering at all—the minister is an impressive looking gentleman—and I went on to read the review because, naturally, I was attracted by the presentation. The minister was described as "the boy wonder of Canadian politics". I think that is really treating public relations in the proper fashion. I think some of us could learn a few things about the way these things are carried on.

But the crux of the matter is that the only reason for the minister being described as the boy wonder of Canadian politics, and doing things which have never been done before in western military history, is that he has introduced this bill to amend the National Defence Act. That is all very well, and I wish the minister a lot of success with this venture; but I think that we on this side of the house are genuinely concerned about the effectiveness of these changes. If integration is a good principle—and we agree it is a good principle—it should be carried on right down the line, and so far we have not had very much proof that what the minister is proposing is either going to increase effectiveness or realize economies.

For instance, this replacement of the chiefs of the services by one chief of a defence staff may appear to represent a reduction from three to one, but this is not necessarily so because the new chief will have a number of assistants. He will have an assistant from each of the services and there will be, of course, if this tendency toward empire building takes its usual course, a desire on the part of each of those senior staff, the top brass of the Canadian forces, to be surrounded by aides-de-camp and all the staff which surrounds senior brass in any armed service in any country in the world—a tendency from which Canada has shown no marked willingness to escape.

So it would seem that the second object will not be realized; and if, as I fear, the human tendency to empire building as exemplified in Parkinson's law applies, we will see just as much brass as we ever had in the armed forces of Canada. The minister may think that because only one person will be reporting to him it will be a significant change for the better, but I am not so sure. The hon. member for Queens (Mr. MacLean), the hon. member for Winnipeg South and a number of others mentioned that it is better to get information from a variety of sources, as the minister knows very well, so as to possess a broader picture of the real needs of Canadian defence.

Someone else has pointed out that this great project of the minister has stirred up a lot of talk among the people of this country and especially among service people. Members of the armed forces are entitled to get from the minister a clearcut picture of what is actually to happen to them. These men are fine, trained men and they have devoted their best years to the service of Canada. They have not yet received a clear picture of what the minister has in mind. They could not have received one because we in this committee have not yet received from the minister any clear picture apart from this one enactment.

So before this bill goes further I think the minister should answer a number of questions pertaining to the changes he may have in mind. How is this integration to be followed up by integration among the lower ranks of the armed services? I know the department intended to release at one stage some 50,000 men from the armed services. The next day it was 10,000. Then in committee several members questioned the minister and the associate minister very closely about the number of men who were to be released. The numbers seemed to get smaller and smaller until, in the end, I was not sure whether instead of decreasing the armed forces we were not planning to increase them. It was clear that only a puny operation was contemplated under the smokescreen of this vast renovation which was to produce for Canada a great force of armed might whose efficiency no other nation could approach. That is certainly a worthy objective to be pursued, but so far we have not seen the beginning of it, despite this barrage of publicity which accompanies the merest gesture the minister makes. I do not know what his secret is, but he is certainly in the foreground of public speculation and, perhaps, even of adulation; I do not know. But I think the armed services are a bit worried. They want to know what is likely to happen to them, and those who are to be released wish to be treated on a fair and equitable basis.

It is all right to provide for colonels or major generals up to $15,000 in cash benefits. That is fine. The associate minister said in the committee that the purpose of these benefits was simply to help in the rehabilitation of those who were released. Yet those who are in the greatest need of help for rehabilitation, that is to say the lower ranks, the private soldiers without any great influence or special skills, get very much less. This is a line of policy from which neither the minister nor the associate minister wanted to depart one iota.

I mentioned this in the committee, and afterwards I received a lot of letters from people in the armed services. They feel it is unfair—and I do, too, in a way. If the purpose is really to provide rehabilitation, I do not think the private should get five, six or ten times less than the major general. I just cannot accept the particular explanation given by the minister in this regard, and I do not think this practice is fair.

These are matters that are directly concerned with this bill, Mr. Chairman, and with regard to which we have not received the answers that we should receive from the minister. We asked in the committee what would be the role of this new, integrated force Canada will have, and the minister said, "Well, read the white paper". That is all he could tell us. I have read the white paper—and I have here a very good summary of the principal points contained in the white paper—but it only deals in generalities. These generalities, in order to be meaningful, must be accompanied by positive actions and statements by the minister. I would like the minister to tell the committee now what the next step in this integration will be; and let him tell us what the new role of the armed forces will be once this integration has been completed. If he can do that, I think the minister will finally deserve all the advance publicity, all the advance favourable notice he has received about the things he intends to do but has not yet done. I think it is about time this government found out there is a vast distinction between saying they are going to do something, and doing it.

The press have treated the minister and his work most favourably. I do not think there is a single minister of the present government, with the possible exception of the Minister of Trade and Commerce, who has been so well treated by the press. If this is so, it is because they expect many things from the minister—and so far he has not delivered. If his delivery is nothing but the very insignificant changes that are being wrought by this bill, I think it is about time he changed his tune and admitted that what he proposed to do is just a little bit too much for him, and that he will call upon other advisers if necessary to carry out this job. This is very important. The minister has started on a course, and for my part I am glad to see him start on that course and I want to congratulate him; but I want him to continue and I want him to be frank, and perfectly frank, with all the members of this committee.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I take the opportunity afforded me by the study of Bill No. C-90 to say a few words about the changes that the Department of National Defence intends to make within its personnel.

I obtained today from the Minister of National Defence (Mr. Hellyer) a reply to the following question I had asked him a few days ago:

What are the names of the people who, in the three armed services, have the rank of general, major general or brigadier, or an equivalent rank in the navy or air force, and what are their salaries?

Mr. Chairman, I was very surprised to learn that out of the 135 senior officers in the three armed services who get $20,000 and $25,000 a year, only nine French speaking Canadians. I wonder what the government intends to do in order to correct this abnormal situation, since the proportion of French Canadians and of bilingual Canadians holding higher positions in the three armed services is definitely inadequate. The height of ridicule is that no French speaking officer holds a high position in the air force and only one French speaking Canadian holds a high office in the navy.

That is why, Mr. Chairman, we on this side of the house, have asked the government on several occasions to extend to four years the course given at the St. John Royal Military College, so as to give French speaking Canadians the required training and enable them to hold higher positions in the three armed services.

It is with regret that we heard about the resignation of Major General Paul Emile Bernatchez—

The Chairman: Order. I have been listening to the hon. member with attention and interest for a few moments while studying the explanatory notes in Bill C-90, and I must say that it is not easy to relate the hon. member's remarks to the bill under consideration.

It may be that his remarks are related to it in fact, but I ask him to tell me in what way.

Mr. Pigeon: Mr. Chairman, I thought that my remarks were in order since Bill C-90 deals with the appointment of the chief of the defence staff and that they are connected with a question I asked on orders of the day, as well as the reply I was given about senior officers in the three services.

That is the reason why I wanted to point this out to the house and mention that French Canadians will fill the higher ranks in the three armed forces only when—

The Chairman: Unless the hon. member is going to conclude his remarks, I feel that they would be more appropriate when the estimates of the Department of National Defence are under consideration.

I cannot say that his remarks are really related to the bill now under consideration.

Mr. Pigeon: Mr. Chairman, I would ask you on what grounds you can say that my remarks are out of order, since I am discussing the appointment of a chief of staff and the number of highly paid positions—

[Mr. Pigeon.]

The Chairman: If the hon. member wishes to know which standing order I am referring to, I would suggest that he read standing order 59 (2). I would also point out that his remarks are not strictly related to the bill under consideration which is to replace the chairman of the chiefs of staff committee and chiefs of naval staff, general staff and air staff by an authority who will be known as the chief of defence staff. That is what we are discussing at present and I do not think that the hon. member for Joliette-L'Assomption-Montcalm can discuss the number of French Canadians in the armed forces at this time.

Mr. Pigeon: Mr. Chairman, I wish to thank you for allowing me to point out that weakness in the Canadian armed forces.

But, since we now have a Minister of National Defence and an Associate Minister of National Defence, I think it would be proper for the government to follow the same policy as far as the Canadian forces are concerned, that is if an English speaking chief of staff for defence is appointed, well, a French speaking deputy chief of staff for defence should be appointed.

Those are the few remarks I intended to make and I hope the Minister of National Defence will be able to answer that question along those lines, since there is at present a serious gap to be filled within the Canadian forces as very few bilingual or French Canadians hold senior positions.

Mr. Boutin: Mr. Chairman, would the hon. member permit a question?

Mr. Pigeon: Yes, with pleasure, Mr. Chairman.

Mr. Boutin: Mr. Chairman, the hon. member for Joliette-L'Assomption-Montcalm said earlier that the Canadian forces lacked French Canadian personnel. Could he tell us whether the number of French Canadians has gone down or up since the Liberal government took office? Does this mean that the number of French Canadians has decreased in our forces and that at the time of the Conservative government, it was higher?

Mr. Pigeon: Mr. Chairman, it is with great pleasure that I shall answer this question. When the Conservative government—

The Chairman: Order. The fact that the hon. member for Dorchester asked a question does not make relevant the subject discussed by the hon. member for Joliette-L'Assomption-Montcalm. I refer again to the provisions of

section 59 (2) of standing orders, under which the hon. member's observations must be strictly relevant to the item under consideration, and I suggest that he should limit his observations in that direction.

Mr. Pigeon: Mr. Chairman, you authorized a question by the hon. member for Dorchester and I should simply like to tell him this, because I think I abide by your ruling—

The Chairman: Order. I ask the hon. member to co-operate with the Chair and other members of the committee. Even if the hon. member for Dorchester asked a question, that does not mean the hon. member for Joliette-L'Assomption-Montcalm is justified to answer. I had to hear the question before making a ruling as to whether or not it was in order. The matter raised by the hon. member for Dorchester cannot be discussed under section 1 of Bill C-90 now before the house.

Mr. Boutin: Mr. Chairman, as my question was out of order, I shall ask the hon. member for Joliette-L'Assomption-Montcalm not to answer it and to abide by standing orders, as you suggested.

Mr. Pigeon: Mr. Chairman, I want to reiterate my question to the Minister of National Defence, if he wants us, on this side of the house, to pass this bill as soon as possible. I shall therefore ask him whether the government intends to appoint a French speaking Canadian as chief of staff for national defence? If he wants us to support the bill, he should give me an answer.

Mr. Paul: Does the hon. member allow a question?

[*Text*]

Mr. Hellyer: Mr. Speaker, we have already designated the proposed chief of defence staff and the vice chief of defence staff, but I can assure my hon. friend that there will be a very good proportion of French speaking gentlemen of both English and French origin in the defence staff. I am sure the hon. member will be very pleased with the group that are appointed.

I should like to answer immediately all the very interesting questions raised tonight, but I understand we have a little agreement. Consequently I should like to move that we rise, report progress, and ask leave to sit again at the next sitting of the house.

Mr. Pigeon: I ask the direct question of the minister: Is it the intention to appoint a bilingual officer as assistant to the chief?

The Chairman: Order. There is a motion before the committee on which there is no debate.

Progress reported.

EXPORT CREDITS INSURANCE ACT

AMENDMENTS RESPECTING LIABILITY OF CORPORATION AND EXPORTERS, ETC.

Hon. Mitchell Sharp (Minister of Trade and Commerce) moved the second reading of Bill No. C-101, to amend the Export Credits Insurance Act.

He said: Mr. Speaker, in view of the late hour I wish to try and summarize my remarks on this bill. As hon. members know, the Export Credits Insurance Act was originally approved in 1944. It has been amended from time to time over the years to enable the Export Credits Insurance Corporation to provide facilities in line with current demands. This bill marks another stage in the development of the corporation's activities.

One purpose of the present bill is to exempt the corporation from the obligation of paying income tax. No similar export credits insurer doing business in other countries along the same lines as the Export Credits Insurance Corporation pays income tax. In addition, there are no commercial enterprises in Canada providing services comparable to the facilities provided by the Export Credits Insurance Corporation. If this amendment is approved by parliament it is proposed that under the provisions of the Financial Administration Act the corporation will pay to the Receiver General the sum of $10 million in cash. This sum corresponds to the aggregate of the paid-up capital and the capital surplus of the corporation and will be credited to a special non-interest bearing account in the consolidated revenue fund in the name of the corporation.

Another main purpose of the bill relates to the corporation's authority to insure Canadian engineering and construction firms for services rendered overseas. In this field of export operation, particularly with respect to construction, certain equipment must be taken to the site and would normally be brought back to Canada on completion of the job. The purpose of the proposed amendment is to permit the corporation to insure the Canadian firm against the risk of losing the ownership or control of the equipment being employed by him in rendering technical services outside Canada. Such insurance is not at present available from commercial sources.

The bill would also give the corporation authority to reinsure risks with export credits insurers operating in other countries and to accept reinsurance from them, thus providing the corporation with the authority to take on additional insurable business of Canadian exporters. The corporation can now enter into a contract of insurance with a Canadian exporter to protect him against non-payment by a foreign buyer for goods or services exported from Canada pursuant to a contract of sale entered into between the Canadian exporter and the foreign buyer. With the proposed amendment it will be possible for the corporation to enter into a contract of insurance with an export credits insurance organization in another country.

The bill proposes to increase the amount of the liability of the corporation under contracts of insurance entered into under section 21 of the act from $400 million to $600 million. Under this section, the total current liability of the corporation as at April 30 this year under all policies issued and outstanding amounts to $235 million. Additional commitments have been made under the authority of orders in council totalling $236 million. So it will be quite clear to the house that we need this authority if we are going to continue doing business.

Section 21A of the Export Credits Insurance Act allows the corporation, when authorized by the governor in council by order in council, to provide financing to Canadian exporters for heavy capital equipment requiring terms of payment extending beyond five years, which is the normal cut-off term for insurance transactions. This bill proposes to increase the amount of this long term financing from the present limitation of $300 million to $400 million. As at April 30 of this year the corporation had entered into financial agreements under long term export financing contracts totalling $184 million. Additional financing and guarantees have been authorized by orders in council totalling $33 million. The corporation has applications from exporters for long term financing, the bulk of which has been approved in principle, totalling another $80 million. Accordingly, financial agreements already signed, guarantees currently outstanding, and additional financial agreements not yet signed total $297 million. It is therefore obvious that in order to continue this very important facility it is necessary to increase the present ceiling.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, the minister has referred to the various technical amendments which are included in this bill, all of which I am sure are important. I think the crux of the bill is contained in the last paragraphs of his statement with reference to sections 20, 21, and 21A, under which obviously unless this bill is passed, and passed in the immediate future, there would be a severe curtailment of the financing of exports which are necessary to maintain the development of this country.

I have always been interested in this matter first, as minister of national revenue and afterwards as minister of finance, and I felt sometimes that our act was not as generous as those of other countries. I am thinking of the excellent arrangements made in the United States. I am thinking of the way export credit insurance matters are dealt with in other nations. I realize the difficulties of the signatories to the Berne convention. I was reminded of that from time to time by the chairman of the corporation. I was trying to persuade him to accept some long term arrangements and he said: "We are a signatory to the Berne convention and we can do nothing about it".

I am glad to see that these amendments are being suggested and I am particularly happy to see the increase in the capital and the increase in the authorization under section 21A. This has been one of the keystones of our economic development. The government of which I was a member amended the act on two or three occasions, increasing the moneys which were available, and it is an indication of the development of the export trade of Canada that it is now necessary and advisable for the minister to come before us to ask for a further extension. As far as we in the official opposition are concerned, we are very glad to give our full support to the proposed amendments, and I hope they commend themselves to the favourable attention of the house because I am quite certain they are necessary now and in the immediate future.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, we are anxious to expedite the passage of this bill because we recognize the need for extending the capital and also the authorization which is made possible under sections 21 and 21A. We are in favour of the principle of the legislation. We would like some more information from the minister which he might be able to give us when he is closing the debate, or in committee of the whole.

I should like to know particularly to what extent this legislation has been used to facilitate wheat exports and long term sales of wheat to other countries, and what part of the total amount that has been guaranteed is attributable to wheat sales. I recognize that the minister cannot give us the names of firms or countries involved, but if he can give us a breakdown as to categories or classes of goods for which these guarantees have been given I think it would give the house some idea of the value of this legislation and what particular types of exports have benefited from it. We can probably secure this information from the minister later. In the meantime we are anxious that this legislation be passed quickly and therefore we will not take the time of the house to enter into any further discussion of it now.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, on behalf of this party I should like to say that there is not time this evening even to comment, let alone either to agree or disagree, on the proposed amendments involving the technical points that the minister has raised. Very generally I should like to say that we agree with many of the changes that will allow a greater latitude to the corporation, so that it can in fact underwrite some of the construction firms that are doing business in many parts of the world. We both recognize and appreciate the fact that the expansion into this field is a non-competitive area.

However, as has been pointed out, the main feature of the amendments before us tonight is to increase the capital of the corporation from $400 million to $600 million. We also recognize that almost every area of the economy of Canada has benefited from the provisions of this act and so we give our support to passing these amendments as expeditiously as possible.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Exemption from income tax.*

[*Translation*]

Mr. Marcoux: Mr. Chairman, I wish to ask the Minister of Trade and Commerce a question, precisely because I have not had time to study the measure and I do not want to delay the passing thereof.

I only want to know if the Export Credits Insurance Corporation is the one that was taken over by the Chartered Banks Association a few years ago?

[*Text*]

Mr. Sharp: Mr. Chairman, the Export Credits Insurance Corporation is entirely a government institution. It does two kinds of business. It insures exporters against loss and it also provides direct financing of certain types of transactions. Where the corporation acts as insurer the financing is done by commercial institutions such as banks, but the corporation itself is entirely a government-owned corporation and is a direct government operation.

[*Translation*]

Mr. Marcoux: In that case, will the income tax exemption which this corporation will enjoy be granted to chartered banks or to the government agency?

[*Text*]

Mr. Sharp: Yes, Mr. Chairman. As I explained when I made my statement on second reading, institutions like this which are operating throughout the world are not subject to income tax and it is proposed to bring the practice in Canada into line with the practice in other countries. I should perhaps tell the committee that recently when the corporation met it approved a reduction in rates because it did not wish to make any profits that would be subject to tax.

Mr. Pugh: May I ask the minister a couple of questions? Will the premiums on reinsurance approximate the exact premium that the exporter pays? Has the minister any knowledge in this regard?

Mr. Sharp: I regret that I am not very expert in this field. I should think, however, that where reinsurance is made with other foreign corporations doing business in the same field the exporter would just pay the cost. The corporation would not take any additional commission for handling the business in that way.

Mr. Pugh: Perhaps I could have a definite answer on that point later. Has the minister any idea of the ratio between exports of grain and manufactured and raw materials? In other words, are sales of grain the biggest draw on the Export Credits Insurance Corporation?

Mr. Sharp: Mr. Chairman, the hon. member for Burnaby-Coquitlam also asked me a question in detail about this matter. I regret I do not have the information now but I will be very happy to obtain it. Perhaps I ought

to say that all the transactions in grain are done under section 21 of the act, with the approval of the governor in council. They are not done by the corporation in its own right risking its own capital. The proportion of business in grain done under section 21 is a large proportion of that kind of business, but in relation to all the business done by the corporation it does not predominate.

Mr. Douglas: On that point I take it that the financing of the exports of grain has been done under section 21 and they represent a very large part of the total, which I think the minister said was something over $230 million, if I remember correctly.

Mr. Sharp: Yes. Actually the total amount of business done since the corporation was formed is very much larger than that. I was speaking about the total amounts outstanding at the present time. Under section 21, which relates to risks assumed by the government itself, grain forms a very large proportion, but of the total business done by the corporation grain does not predominate.

Mr. Douglas: But it represents a fairly large part of the business done under section 21. Would the minister have any idea of the relative amounts?

Mr. Sharp: I am sorry, I shall have to get those figures.

Mr. Douglas: I will not press the point. Would the minister agree to give us this information on his estimates? If that would be suitable we could let the matter drop.

Mr. Sharp: I would be quite happy to.

Clause agreed to.

Clauses 2 to 5 inclusive agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time, now?

Mr. Knowles: By leave.

Mr. Sharp moved the third reading of the bill.

Motion agreed to, and bill read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader what non-controversial business he has for us tomorrow?

Mr. Favreau: One thing which I hope will be non-controversial is that I may be allowed to thank the leaders of the various parties for their co-operation in disposing of this urgent legislation tonight. The business of the house tomorrow will be the debate on the amendment to the flag resolution.

Mr. Pigeon: And the union jack will be next?

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

INCOME TAX—QUEBEC—FEDERAL REFUNDS MADE TO PROVINCIAL MINISTRY

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, first of all I wish to congratulate the minister upon his elevation to the cabinet. I think all of us will agree, although on occasion we do not agree with his philosophy on the principles of taxation, he has already demonstrated his ability to deal with exactitude with figures when he has been answering questions by the opposition about legislation or estimates. It is in that co-operative spirit, Mr. Speaker, that I provide this opportunity for the minister to get his initiation into the details of the administration of the Income Tax Act.

I should like to quote the question I asked him on orders of the day today. Would the minister inform the house why the income tax branch forwards refunds due residents of Quebec to the provincial ministry of revenue direct, and of the legal basis for such unusual procedure? My reason for asking that question follows a conversation I had yesterday with some Quebec residents. In one instance in particular—and the person had the document with him to prove it—the refund of something like $60 which this person fully expected to receive was sent to the provincial department of revenue. The taxpayer in question received a notice from the income tax branch that the refund payable to the taxpayer was being paid to the provincial department of revenue.

This procedure caused the taxpayer in question, and some others who had a similar experience, to consider it a very high-handed procedure, almost an invasion of the privacy of the individual. They were quite indignant. I should like, therefore, to fulfil my function as a member of parliament by raising this

question at the first opportunity. I brought it up during the question period and was disappointed when the Speaker said I was not in order. I thought this was a question of fiscal policy that concerned the whole house and would concern the country.

I would like the minister to explain to the house the arrangements that have been made in this connection, and the procedure and legal basis for this type of action on the part of the income tax branch. Also, would he mind informing the house when this procedure was first adopted. Is it part of a recent fiscal arrangement with the province of Quebec, or has it lasted for some time?

We are all interested in not only, shall I say, the immediate question of what appears to be a very high-handed procedure in sending money coming to someone to another government, but also in the sort of behind-the-scenes events that may have transpired to produce this, what appears at the moment, somewhat unusual regulation and procedure.

Hon. E. J. Benson (Minister of National Revenue): Mr. Speaker, in reply to the hon. member for Kootenay West (Mr. Herridge), I thought today during question period I could be an ideal Minister of National Revenue in that I was simply able to answer "no" to the two questions raised in the house, and I am sure over the period in which I occupy this portfolio I will have to answer "no" a good many more times.

However, to deal specifically with this question, under the reciprocal arrangements between the province of Ontario and the province of Quebec, a person who has been employed in Ontario during a year and was resident in Quebec on the last day of that year does not receive a refund from the federal government for the tax deductions made in Ontario, but he does receive credit for the amount of such deductions on his Quebec income tax return.

As everyone will recall, the province of Quebec collects its own provincial income tax. Similar arrangements apply where a person was employed in Quebec during the year and was resident in Ontario on the last day of the year. The authority for this procedure is found in the Ontario income tax act and the Quebec income tax act. The Department of National Revenue, taxation division, is acting in these cases as the agent of the province of Ontario to carry out these arrangements under the general authority of the tax collection agreement.

The hon. member asked me the exact date of the passing of the approval of this tax collection agreement. I do not happen to have this available at the moment, but I shall be pleased to tell him within the next day or so.

Motion agreed to and the house adjourned at 10.40 p.m.

20220—309

HOUSE OF COMMONS

Tuesday, June 30, 1964

The house met at 2 p.m.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

GOVERNMENT HOUSE

Ottawa, June 30, 1964

Sir:

I have the honour to inform you that the Honourable Ronald Martland, puisne judge of the Supreme Court of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber today, June 30, at 5.45 p.m. for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
A. G. Cherrier
Assistant Secretary to the Governor General

HOUSE OF COMMONS

APPOINTMENT OF MEMBERS OF STAFF BOARD

Mr. Speaker: I should like to make an announcement which will, I know, be of interest to all hon. members.

The house will recall that the sixth report of the special committee on procedure and organization tabled on May 20 outlined a complete reorganization of the staff and services of the House of Commons, as recommended by the Speaker and approved by the commissioners of internal economy. The reorganization provides for the establishment of a three man staff board under the chairmanship of a director of administration. In addition to the new post of director of administration, provision has been made for three other new positions; a director of legislative services, a secretary for parliamentary associations and a second deputy sergeant-at-arms, the latter to be employed on a sessional basis.

I am pleased to inform the house that appointments have now been made to all three new full time positions. The sessional deputy sergeant-at-arms will be selected in the near future.

The position of director of administration will be filled by Mr. Jean-Marc Hamel, who has been secretary of the civil service commission and, more recently, co-ordinator of language training in the civil service. Mr. Hamel, a native of Quebec city, holds the degrees of bachelor of commerce and master of commerce in business administration from Laval University, Quebec, as well as that of master of public administration from the Maxwell school at Syracuse university, New York. He has had extensive experience in personnel selection, position classification, and public administration generally. As director of administration he will relieve the Clerk of many of his routine signing and approval duties and will be responsible for the work of the various administrative service branches. Personnel and financial control will be among his major responsibilities. Initially Mr. Hamel will be on a one year loan from the commission.

For the position of director of legislative services Mr. Alex Small, the present chief of journals, was unanimously selected as the result of a competition. Mr. Small has had 12 years' experience on the House of Commons staff in three of its branches, committees, index and journals. During world war II Mr. Small served as a navigator in the R.C.A.F. with the rank of flight lieutenant on release. He was mentioned in dispatches and spent a year in a prisoner of war camp in Germany. Prior to joining the House of Commons staff Mr. Small had extensive administrative experience in the Department of National Health and Welfare.

In his new post Mr. Small will direct the work of the committees branch, English and French debates, English and French journals and the English and French index and reference branches. He will also serve as third clerk assistant and have some duties at the table.

The staff board, which will comprise the director of administration, the Sergeant-at-Arms and director of building services, and the director of legislative services, with the chief of personnel, Mr. Len Hill, as its secretary, will commence at once to deal with various outstanding personnel and administrative problems. These include personal grievances as to salary levels, unsatisfactory working conditions, vacation leave, hours of

work, doubtful hiring practices and so on. Meanwhile a complete classification study of all positions on the House of Commons staff is already under way and should result in salary adjustments wherever warranted.

Provision is also being made for the establishment, for the first time, of a formal grievance procedure so that legitimate employee grievances will be dealt with in a prompt and orderly fashion. Grievances not settled by the immediate supervisor or the director concerned will be considered by the staff board and, if necessary, the Clerk of the house. It is hoped to eliminate the unsatisfactory practice of having employees take their grievances direct to the Speaker or to individual members of parliament.

The position of secretary for parliamentary associations will be filled by Mr. Ian Imrie, presently assistant chief of national historic sites in the Department of Northern Affairs and National Resources. Mr. Imrie is an honour graduate in arts of Trinity College, University of Toronto, and has had post-graduate training in Europe. He will devote his attention to co-ordinating the staff services for delegations to the various interparliamentary groups, for example the commonwealth parliamentary association, the Canada-U.S. interparliamentary group, the NATO parliamentary association, the interparliamentary union and special parliamentary visits and exchanges that may be arranged from time to time.

I might just add that while the reorganization also contemplates the appointment of an executive assistant to the Speaker, no action is necessary for the time being. Mr. George Carty, a senior civil servant loaned to me to act as secretary to the special committee on procedure and organization, has been carrying out extra duties on my behalf with the title of special assistant to the Speaker.

I should like to record our indebtedness to the organization division of the civil service commission for their assistance to me in working out this reorganization and, in particular, to Mr. H. L. Laframboise, who at my urgent request carried out a complete study of our organization structure. At my suggestion, and in full co-operation with the parliamentary librarian, Mr. Laframboise is now conducting a study of the library in the hope of improving its service to parliament.

At this time I should also like to express my appreciation of the full support and co-operation of the Clerk of the house in making these important changes. Mr. Raymond, the Sergeant-at-Arms and other senior officers of the house share my desire to bring our organization structure into line with the altered and vastly increased demands of the present day.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, following the statement you made a while ago and since the Secretary of State is absent, I should like to ask the Prime Minister whether Mr. Alex Small, who has just been promoted to the position of director of legislative services is bilingual in the sense given to that word nowadays. Considering that his new position also includes French and English translation, is he sufficiently bilingual to look after the requests submitted by the various departments?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I will have to look into that, Mr. Speaker. I am not familiar with the linguistic attainments of this gentleman.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): A supplementary question, Mr. Speaker. Since the Secretary of State is here now, I will put it to him or to the Prime Minister.

Could he inquire at the same time as to whether there were other bilingual candidates for the position whose creation was announced today?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I will get the necessary information and give the hon. member a reply this week.

[*Text*]

Mr. Speaker: I think I should inform hon. members that the last two questions should be asked in a private capacity. The Secretary of State, in effect, is the spokesman but has not the prime responsibility for answering. If hon. members would care to ask those questions in writing I am sure they will get a full and complete answer.

DOMINION-PROVINCIAL RELATIONS

STUDY OF EFFECT ON CANADA OF SEPARATION OF QUEBEC

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I was asked yesterday by the hon. member for Danforth whether I would make a statement in regard to a reply which

I gave toward the end of last Friday's sitting to an oral question from him, which reply has caused some misunderstanding. The question repeated one made by the hon. member himself on May 20 asking for a study of the social, cultural and economic effects on the rest of Canada of separation by Quebec and, to quote him as he is reported at page 3401 of *Hansard*:

—so the fullest measure of information would be available to discuss this important subject.

I said at that time that I would give consideration to the proposal but that—and I quote from my reply—

—I would like to add that we are convinced any such study would be entirely academic, because no such separation is going to take place.

The hon. member at that time agreed, but he still thought—and I again quote from his remarks in *Hansard*—

—that there are people in Canada who really think Canada can get along separately, and that it might be useful if this type of information were available.

Those were his words. My answer last Friday was given in the framework of that earlier reply—that a study along those lines would be academic but that the information might be useful. At that time, on May 20, no one took any exception to this exchange. Last Friday strong exception was taken to it. I said on Friday that that kind of investigation —they were my words—is being made; but I also indicated quite clearly that it is confined to the economic aspects rather than the broader range suggested by the hon. member for Danforth. I further indicated quite plainly, Mr. Speaker, that it would be a study not of separation but of the economic interrelations within Canada. It would be a study of the indivisibility of our economy, the indivisibility which would be created by the interrelation of the various parts. It will show, I hope and believe, how the parts of Canada need each other.

To say that we should not study the facts on which our unity is based as well as certain pressures on that unity is, I believe, to show unnecessary fear and lack of faith. To say that in making such a study we are contemplating the division of our country is like saying that we must be warmongers if we study the necessity for defence forces. Ours, Mr. Speaker, is an unusual economy. The vastness of its area and the diversity of its resources mean that regional differences are especially important, and therefore economic interrelations are of special significance.

Matters of this kind have already been examined. They were examined in a famous study, "The economic background of dominion-provincial relations" prepared for the Rowell-Sirois commission by one of Canada's most distinguished economists, Dr. W. A. Mackintosh. I do not think anyone would now dispute the value of this study, but it was made a generation ago. Much has changed since, but there has been no equivalent study made.

I believe it is time that the same economic examination is made again in the light of new conditions. It will be a study of our economic unity within confederation; but because that unity is built not on uniformity but on diversity we have continually to think of ways and means of maintaining and strengthening it. Our national economic policies have to be based on the facts as they exist today and on an understanding of our problems as they have changed.

The study will be of special value in showing the factors which should influence federal-provincial relationships in the economic and financial fields. In this respect it should be of service, and I believe will be of service, to the federal representatives on the tax structure committee which was planned at the Quebec conference and which, it is hoped, will soon begin its work.

Mr. Speaker, to fail to strengthen the forces of unity in our economy would be a dereliction of duty. The one thing which could bring about such disaster as disunity would be for a federal government to bury its head in the sand, to be afraid of the facts and to refuse to study problems; and we will not be guilty of that.

Since some questions have been asked outside the house, I should perhaps conclude with a word about the procedure that is being followed in this matter. It is a perfectly normal procedure. As hon. members know, studies of this kind are not launched suddenly out of the air. They have to be planned. I have therefore asked a few government officials, economic experts, to advise me on what would be involved in a study of the economic interrelations within our country and how such a study could best be made.

Considered answers to these questions involve quite a bit of preliminary work. When that preliminary work has been done, I will then be in a position to make a recommendation to cabinet as to what formal steps may be required to carry through this study in the light of conditions we now face in this country

in the economic and financial fields of federal-provincial relations. When the cabinet has made its decision on this matter as a result of the report I hope to be able to make to it, that decision will be conveyed to the house.

Hon. Michael Starr (Ontario): Mr. Speaker, we have just heard from the Prime Minister; as has happened in the past, a clarifying statement has had to be made as the result of a careless statement made by the government in connection with a policy announcement. I want to say at once that the right hon. Leader of the Opposition is ill with a heavy cold today. I am sure if he had been here he would have commented on the statement that has been made by the Prime Minister with far more emphasis than I can.

However, if we go back over the events that led to this statement of clarification today it will be seen, I am sure, that all of us who were present obtained an entirely different impression; as a matter of fact, even the members of the press did also, as will be seen from newspaper reports. On May 20 the hon. member for Danforth posed a lengthy question, reported on page 3401 of *Hansard*. Amongst other things he said:

> —would the government consider ordering a study of the economic, cultural and social effects upon the rest of Canada of separation by Quebec—

Now, it is quite clear what that question meant. The Prime Minister said in his reply, amongst other things, that any such study would be entirely academic because no such separation is going to take place. This was a good statement by the Prime Minister. However, last Friday the hon. member for Danforth, pursuing the same point, asked again whether the Prime Minister had given any consideration to his previous request of May 20. The Prime Minister replied in these words, as reported at page 4780 of *Hansard*:

> Yes, Mr. Speaker, we have been considering the matter. It is not a subject which lends itself to easy investigation and dogmatic conclusions, but officials of the government are making that kind of investigation now.

Anyone reading the original question would come to the conclusion, Mr. Speaker, that this committee of civil servants was making a study of the economic, cultural and social effects upon the rest of Canada of separation by Quebec. It was quite evident that there was a misunderstanding by everybody because the Prime Minister, some four hours later, felt impelled to make a statement of clarification as to what he actually meant by his reference to such a study. Anyone listening to the Prime Minister at that time would have come to the conclusion that this government was studying the effects of separation by Quebec from the rest of Canada. This was indeed a strange attitude to be taken by any government, since they should have been studying measures to bring about unity in Canada rather than separation.

Yesterday the hon. member for Danforth referred to what he called an irresponsible statement by the Leader of the Opposition which was issued to the press late Friday afternoon. I say, in view of this whole situation, the irresponsible statements that have been made prior to today have been made by the Prime Minister of this country and the government he represents.

Mr. Pearson: I rise on a question of personal privilege. Perhaps I may be permitted to quote the rest of the statement I made on Friday which the hon. gentleman inadvertently left out.

Some hon. Members: Order.

Mr. Pearson: It appears at page 4780 of *Hansard*, and is as follows:

> What is being undertaken is an economic investigation of the interrelation between Quebec and the rest of the country, which is surely a very proper subject for an economic investigation.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the members of this party are fully in support of the type of study which the Prime Minister has outlined. To suggest that any such study is an endorsation of the idea of separatism seems to me politically irresponsible—

Mr. Lambert: Not in the original terms.

Mr. Douglas: —and can only pander to those parts of Canada which are seeking to exploit the differences that may exist between English speaking and French speaking Canada. The members of this house cannot bury their heads in the sand like ostriches. The fact is that talk of separatism is prevalent. I do not think there are many members in this house and I doubt that there are many people in Canada who are in favour of separatism. The fact is, however, that the idea is promulgated. Economic and constitutional arguments are being advanced as to the advisability of the province of Quebec becoming an associate state or even a state separate from the rest of Canada. Cognizance of this fact was taken by the Quebec legislature, which has set up a committee to study the whole question.

I have before me the terms of reference of that committee. They are fairly lengthy and

I will not read them, but in summary the committee was asked to study to what extent the province of Quebec could acquire greater constitutional authority without destroying its own economic viability. This study is to look into whether Quebec is putting more into confederation than it is getting out of it, and whether it would be to its advantage to seek a separate status from the rest of Canada.

I do not take this to mean that the legislature of Quebec is anxious to promote separatism. I take this to mean that they are seeking to gather the data upon which they can answer the arguments that are being advanced in some parts of Canada. When that study is completed it will certainly be used in the province of Quebec and elsewhere to argue for certain transfers of constitutional, monetary and fiscal authority from the federal government to the provinces.

It seems to me that in the light of that fact, Mr. Speaker, the government of Canada and the members of this house need to be armed with all the information they can get. We are not going to answer the arguments of the separatists by putting our heads in the sand or by thinking that if we keep quiet the problem will go away. Nor are we going to be able to answer by waving the flag and beating our breasts about confederation.

Mr. Grafftey: What flag?

Mr. Douglas: In the long run light will do more than heat in dealing with this problem, and the parliament of Canada and the government of Canada need to be armed with all the arguments, all the data and all the economic facts so they can present them to the people of Canada. As a matter of fact, Mr. Speaker, when the government finally decides on the basis for this study I hope the commission will be a fairly strong one, that on it the government will put some able economists who will study not only the problem of separatism but will study also the extent to which the parliament of Canada can continue to strip the federal government of its constitutional powers without destroying the economic viability of Canada as a whole.

Under various pressures concessions have been made. Certain powers have been taken from the federal government and given to the provincial government. I am not going to argue now which of these were wise and which were unwise, but the one thing we do know is that if Canada is to continue as a viable economy there are powers which the government of Canada must retain in order that this country may operate economically and efficiently.

We will only get that kind of information if there is the fullest possible study, not only of the relations of English speaking Canada and French speaking Canada, but of the federal government's economic relations to all the provinces. We are in great danger in Canada of becoming regionalized to the point where the type of economic planning which has become part and parcel of the program of almost every industrial country in the world will be meaningless if we continue to go down a road that, while it might maintain a semblance of unity, would actually lead to the economic disintegration of this country.

Therefore, Mr. Speaker we support the idea of such a study. We hope the government will not leave this to busy government officials who have many other things to do, but that a commission of outstanding economists and constitutional experts will be given this task in order that we may have something similar to the Rowell-Sirois commission that will give Canada a blueprint which we can follow for the next quarter of a century.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, some people say that we should wait and consider the results of all the studies made, before undertaking some ourselves. I think that it is normal and appropriate for this parliament to start a personal investigation on all possible economic implications of a provincial secession, whether on the part of Quebec or another province, because we know that there are some other provinces which really need all their economic means, and are ready to go as far as separation to obtain or regain them.

Yet, I hope that this investigation will not be made in the spirit suggested by the hon. Minister of Finance, when, yesterday, he declared himself certain—as if he had given some instructions on the manner in which this investigation was to be made when it gets under way—that no investigation into the Canadian situation could end in favour of Quebec separatism.

And he added, as reported in *Le Devoir*:

> It could in no way favour a secession.

—when speaking of the inquiry.

Obviously, this remains to be proved. There is every reason to believe that the results of the inquiry might point that way, but I think

it would be most unwise to anticipate the results of that investigation.

Various reliable persons throughout the country advanced very valid arguments, saying that there certainly were some economic advantages for the province of Quebec in being part of the confederation. Would there be adequate compensations? Quite possibly. The investigation will prove it. We should not anticipate the results.

I would like to say one last word. There was some mention of Canadian unity, and I am all for it. But if unity means loss of its personality for any one province, whether it be Quebec or another, but most particularly Quebec, and that unity also signifies the loss of the French Canadian character, we would not approve it. We agree that there should be a close and active co-operation between the two racial groups in Canada and between the various provinces.

If, however, unity means the loss of those personalities, we shall no longer agree. I am convinced beforehand the survey will show that Quebec would not remain within confederation if those considerations were disregarded.

I feel, however, that parliamentarians take a sufficiently general view of our national problems to understand this situation and to agree with the Prime Minister when he states that Quebec is not a province like the others and that it should not be treated like the other provinces.

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I share the opinion expressed by the Prime Minister a while ago, when he said that if the government refused to consider the problems which arise from time to time, it would be proof of inefficiency and an indication that it does not have the required courage to face its obligations.

I feel that a thorough study of the problems which arise in the economic, social and cultural fields should be made from time to time, periodically, to see exactly what is going on and what has taken place in all the provinces of Canada, and that such a study has been imperative for a long time; but between that and saying, for instance, that the purpose of such a study is to prove that our economy cannot be divided there is quite a difference, because while government experts endeavour in all Canadian provinces to settle or study economic, social and cultural problems, in some other provinces, namely in the province of Quebec, experts and economists are now making studies to see how far Quebec could be self-sufficient.

[Mr. Marcoux.]

What is the use of making a secret of it? Everybody knows that such work has been going on in Quebec for many months; but this does not mean that Quebec will separate. This merely means—and this is a warning to the federal government—that it is time to have a sound national policy, to face facts and realize that the provinces must have more freedom, otherwise the time will come when we will live in a period of economic chaos which will please nobody in the country and no province.

Mr. Speaker, the province of Quebec can be different from the others, but all it asks of the federal government—just as the other provinces do at the federal-provincial conferences—is what it is entitled to and nothing else. It is not requested that another province be emptied to fill the province of Quebec. Such is not the case, but the province of Quebec should be allowed, like the others, to develop in a natural way, to accomplish its emancipation according to its aspirations, its life, its culture and its physical possibilities.

That is why the Ralliement Créditiste informed the federal government, several months ago, that we claim for Quebec: 1. The control of credit, which will solve the monetary question in our province, and also in the other provinces.

2. Decentralization to the point of letting the provinces deal with their immigration problem. That is that what we are asking for the province of Quebec.

I just heard an hon. member say that makes him laugh. Mark my words, he will not be laughing so much in his riding at the next election.

Mr. Speaker, the third point is the control of our imports and exports and the return of taxation rights to the provinces.

The government should seriously consider those points and, at federal-provincial conferences, act upon the economic, social and cultural study the experts are now making and which, I hope, will result in a better understanding between the provinces that will enable us to celebrate not, as will be the case tomorrow July 1, a confederation that is going down the river, but a revitalized, living renovated confederation, a confederation in which each province would be allowed to develop according to its aspirations and possibilities.

[*Text*]

Mr. Scott: Mr. Speaker—

Some hon. Members: Order.

Mr. Speaker: Is the hon. member for Danforth rising on a point of order, of privilege or what?

Mr. Scott: Mr. Speaker, I was going to say a word, with your consent.

Mr. Speaker: It is customary on motions just to have the leaders of the different parties speak. Perhaps the hon. member will have an opportunity later.

TRANSPORT

ST. LAWRENCE SEAWAY—CONTINUATION OF PRESENT TOLLS

Hon. G. J. McIlraith (Acting Minister of Transport): I should like to make a brief statement concerning the St. Lawrence seaway tolls review.

The governments of Canada and the United States have exchanged notes approving a supplemental agreement to the 1959 agreement between the St. Lawrence seaway authority and the Saint Lawrence Seaway Development Corporation with respect to the St. Lawrence seaway tariff of tolls. The supplemental agreement provides that:

(a) The date for the entities to report to their respective governments as to the sufficiency of seaway tolls will be deferred from July 1, 1964 to July 1, 1966, and the developmental period of the seaway will thereby be extended by two years and will be deemed to terminate at the end of the 1966 navigation season. Accordingly, no change in tolls will be proposed at the present time.

(b) The joint review will be continued and at the conclusion of this two year extension tolls proposals will be related as realistically as possible to the financial requirements of the seaway entities.

Hon. Léon Balcer (Three Rivers): I think the house will be glad to hear the announcement made by the minister in the name of the Minister of Transport. This is a realistic move. The St. Lawrence seaway, one of the greatest undertakings ever built in Canada and one which means so much to the economic life of this country besides being the answer to a dream of the whole population, should not be judged by what has happened in so short a period. This is a good move because it extends the period of time during which various experts will have the opportunity to assess the situation as far as the shipping making use of this great waterway is concerned. Also it will give an opportunity to various shipping interests to continue to move a tremendous amount of goods and Canadian products through this great international seaway. Certainly it is to the advantage of all concerned that such a study be carried on for another two years.

HEALTH AND WELFARE

TABLING OF LETTER TO PROVINCES RESPECTING ROYAL COMMISSION REPORT

Right Hon. L. B. Pearson (Prime Minister): I should like to table in English and French a copy of a letter I have sent to the premiers of the provinces with regard to a recommendation of the royal commission on health services to the effect that there should be a federal-provincial conference within six months on the implementation of its recommendations.

In this letter I asked the premiers of the provinces to give me their views about the proper form and timing of this consultation.

Some hon. Members: Hear, hear.

[*Later:*]

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in view of the fact that the Prime Minister has just tabled copies of his letters to the provincial premiers to ascertain their views with respect to a conference on health services, it seems to me it would be extremely useful to the provinces if they knew the federal government's stand with regard to the recommendations of the Hall commission. I wonder whether the Prime Minister would be prepared to make a statement saying that the federal government accepts in principle the proposals of the Hall commission regarding the establishment of a universal health insurance program administered by the provinces and financed in part by the federal government.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to announce the policy in due course. It is far too important a matter, I think, to announce the policy on the orders of the day. I would also remind my hon. friend that there will be a meeting of the provincial ministers of health and the federal Minister of National Health and Welfare in a few weeks, when we will have an opportunity of exchanging views on this royal commission report.

Mr. Douglas: A supplementary question, Mr. Speaker. Will the Prime Minister be making such a statement in the house fairly soon, in addition to any statement he may make to the provincial representatives?

Mr. Pearson: Mr. Speaker, it is a very important report, as my hon. friend knows. It

is a voluminous document, and it contains a great many recommendations. It is going to take a little time to give all the recommendations the consideration they deserve. As soon as these recommendations are considered we will make an announcement in the house as to our policy.

BRITISH NORTH AMERICA ACT

AMENDMENTS RESPECTING ROYAL ASSENT, DISALLOWANCE, ETC.

Mr. Auguste Choquette (Lotbinière) moved for leave to introduce Bill No. C-106, to amend the British North America Act, 1867 (royal assent, reservation and disallowance).

[*Translation*]

Some hon. Members: Explain.

Mr. Choquette: Mr. Speaker, as I expected to be asked to do that, I prepared myself accordingly.

Mr. Grégoire: Do not make it too long.

Mr. Choquette: I thank the hon. members for asking me to explain.

We all agree that there are many archaisms, not only in parliamentary procedure but also in the constitution. I feel that the best means to ward off what everyone dreads, separatism, is to strengthen our Canadian purpose which, unfortunately is not prevalent enough in Canada.

To strengthen this purpose, this ideal, our constitution must be modernized. The purpose of this bill is to remove from the text of the constitution theoretical rights which have not been exercised for many decades such as the federal parliament right of disallowance on provincial statutes.

I believe, Mr. Speaker, that this is consistent with the resolutions passed at the 1926 and 1930 imperial conferences. I urge the hon. members to consult Mr. Maurice Ollivier's book on "Colonial and Imperial Conferences".

Mr. Speaker, if the resolution is passed it will allow the supreme court to become the only agency able to exercise a jurisdiction in a federal-provincial conflict. In the province of Quebec, I am sorry to say, the supreme court is held in suspicion concerning federal-provincial matters.

Mr. Lambert: Order.

Motion agreed to and bill read the first time.

[Mr. Pearson.]

[*Text*]

NATIONAL DEFENCE

NEGOTIATIONS WITH U.S. ON USE OF CANADIAN AIR SPACE

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to address a question to the Minister of National Defence. In view of reports that negotiations are now under way with the United States regarding the use of Canadian air space in case of emergency, would the minister advise the house whether any changes have been made in this connection?

Hon. Paul Hellyer (Minister of National Defence): To my knowledge there are no negotiations going on at the present time with respect to the use of Canadian air space by the United States, and there have been no recent changes.

Mr. Starr: Are any arrangements being made to have such negotiations in the near future?

Mr. Hellyer: Not that I know of. There have been arrangements in existence for some time, as the hon. member no doubt knows, and these have worked quite satisfactorily.

ARMING OF INTERCEPTOR PLANES IN CANADA WITH NUCLEAR WEAPONS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I have a question for the Minister of National Defence. Are Royal Canadian Air Force interceptor squadrons in Canada now armed with both nuclear and conventional weapons?

Hon. Paul Hellyer (Minister of National Defence): Not yet, Mr. Speaker.

Mr. Churchill: Is it the intention to provide nuclear weapons for these interceptor squadrons?

Mr. Hellyer: Yes it is, Mr. Speaker.

NEGOTIATIONS TO WITHDRAW FROM NUCLEAR STRIKE ROLE

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Secretary of State for External Affairs a question. Now that Canada has undertaken a nuclear role in both Europe and Canada, is the Secretary of State for External Affairs in

charge of the negotiations now going on for Canada to withdraw from that nuclear role?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Secretary of State for External Affairs naturally shares with his colleagues all matters arising out of government policy.

Mr. Churchill: A supplementary question, Mr. Speaker. Could I have an answer to the question? Is the minister in charge of those negotiations?

Mr. Martin (Essex East): Mr. Speaker, I do not think I can give a more adequate reply.

AGRICULTURE

SASKATCHEWAN—REPORTED CRITICAL SITUATION RESPECTING LIVESTOCK FODDER

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): I have a question for the Minister of Agriculture. In view of the critical situation with regard to fodder for cattle in the area north of the Saskatchewan and Qu'Appelle rivers in the province of Saskatchewan and in view of the depressing effect on prices if there should be a run on cattle markets, I should like to ask if the new minister of agriculture in Saskatchewan has made contact with the federal Department of Agriculture about a joint program to meet this critical situation.

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, the minister of agriculture of Saskatchewan has not yet been in touch with the federal government, but if and when he does, the federal government will be most anxious to co-operate with him in every way.

Mr. Hamilton: A supplementary question, Mr. Speaker. In view of the tremendous importance to the whole country of maintaining the livestock industry in a healthy condition, would not the minister consider taking the initiative on the part of the federal government, as was done in June of 1961?

Mr. Hays: I am sure we will do all that is expected of us if and when the minister of agriculture of Saskatchewan cares to contact the federal government. I might say that at this time the livestock industry, for the most part, is in a healthy condition, healthier than any other livestock industry in the Americas. But we are very concerned about this particular problem.

QUEBEC—POSITION OF VEGETABLE AND TOBACCO GROWERS

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I wish to direct a supplementary question to the Minister of Agriculture. Is he aware that the spokesman for 650 farmers specialized in the growing of vegetables and apples, in the Quebec heavy soil lands, stated that 50 per cent of these farmers are facing bankruptcy following the dust storms which caused damages evaluated at about $2 million? Moreover, could the minister tell the house whether he intends to give assistance to those farmers in Châteauguay county, near Montreal, which incurred losses likely to drive them to bankruptcy?

Mr. Pigeon: Including the tobacco growers in Joliette.

[*Text*]

Hon. Harry W. Hays (Minister of Agriculture): In so far as this is concerned, Mr. Speaker, we are conscious of the problem these farmers are having. There is no legislation set up at the moment to take care of these situations in so far as the federal government is concerned. Our position is that when the provinces approach us, we consider the problem along with them and it is a sharing program. I might say that in this regard we are hoping the province of Quebec will take advantage of the crop insurance program which we now have on the order paper, which we think will take care of these situations in the future.

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I wish to put a supplementary question to the Minister of Agriculture. Can he tell us whether the Quebec authorities submitted a request to the federal government, under the disaster legislation, in order to help these farmers?

[*Text*]

Mr. Hays: No, Mr. Speaker; so far they have not approached the federal government in this connection.

QUEBEC—REQUEST FOR INCREASED MILK SUBSIDY

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Nicolet-Yamaska asked me about the price of milk in Quebec and I suggested that

I would get the d.b.s. figures for milk for 1963-64. We do not have the figures for May or June, but the April figures indicate that the average price of all sales of milk was $3.20 per hundred—this is for April, 1964—and in 1963 it was $3.09.

INCLUSION OF MAPLE SUGAR PRODUCERS UNDER CROP INSURANCE

On the orders of the day:

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, may I direct a question to the Minister of Agriculture?

Could the minister tell us whether he intends to apply to maple sugar producers the benefits provided by crop insurance?

[*Text*]

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, if the provinces participate in crop insurance the sugar beet growers in those areas come under the program as well.

PARLIAMENT HILL

FLYING OF RED ENSIGN FLAG FOR JULY 1 HOLIDAY

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to direct a question of vital importance to the Minister of Public Works. Could he tell us who gave instructions to fly, on parliament hill, on the occasion of the 1st of July celebrations, three times more red ensigns than last year?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I must tell the hon. member that every year a special committee is responsible for the organization of the 1st of July celebrations on parliament hill. Last fall that committee suggested that in the future, on the occasion of certain celebrations or on the visit of distinguished guests coming here, there be more flags than in the past. It is for that reason that we can see now 66 flags instead of 22 on parliament hill. In view of the fact that a copy of the hon. member's question was handed to me only when I came into the house, I cannot give him the exact day when the committee made that suggestion, nor tell him whether those additional flags were purchased recently or came out of the stocks of the Department of Public Works. But I shall give an answer to those two supplementary questions within a few days.

[Mr. Hays.]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to ask the minister a supplementary question. Could he tell us who are the members of that committee?

Mr. Deschatelets: Mr. Speaker, I think there is the chief of the protocol division, Department of External Affairs, a high official of the Department of Public Works, a representative from the C.B.C., a representative from the R.C.M.P., an official from the Department of Citizenship and Immigration who is in charge of the afternoon celebration, and a representative from the Department of National Defence, in charge of the evening festivities.

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I have a supplementary question for the minister. Could he tell us whether the committee does not include also a member of the Canadian Legion from Winnipeg?

Mr. Deschatelets: Mr. Speaker, I shall give all that information to the house when I make a statement within a few days.

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Could the Prime Minister tell us whether, in the event of the new Canadian distinctive flag with three maple leaves being adopted today, the government has taken the necessary steps to replace all the red ensigns floating on parliament hill by this new flag?

[*Text*]

Mr. Speaker: Order, please. This question is obviously out of order.

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a supplementary question to the Minister of Public Works. Could he tell the house whether or not this is a good enough occasion to fly our future national flag? We could show a sample of our future flag tomorrow.

Mr. Gérard Chapdelaine (Sherbrooke): Mr. Speaker, I wish to direct a supplementary question to the Minister of Public Works. Can he tell us how many French Canadians are members of the committee concerned?

Mr. Deschatelets: I do not have this information, but I shall answer that question within a few days.

[*Text*]

Mr. Arnold Peters (Timiskaming): A supplementary question, Mr. Speaker. I should like to ask the Minister of Public Works

whether he will inquire which is the proper ensign, the one flying over the house or the one flying on the lawn. One has red leaves and the other green leaves. That is just a point of information.

Mr. George Muir (Lisgar): Mr. Speaker, I wonder whether the Minister of Public Works would convey to the members of this committee the appreciation of the house for flying all those beautiful Canadian red ensigns.

Some hon. Members: Hear, hear.

POST OFFICE DEPARTMENT

THETFORD MINES, QUE.—STATEMENT ON AWARD OF POSTAL CONTRACT

On the orders of the day:

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, I wish to refer to a question asked in the house yesterday by the hon. member for Mégantic concerning the renewal of a mail contract for delivery of parcel post at Thetford Mines, Quebec. I refer particularly to the hon. member's statement that the present contractor died on June 19. Actually the party who died was Mr. Napoléon Huard, the father of the present contractor. Mr. Napoléon Huard, the father now deceased, had held the contract for several years, but on November 4 of last year he submitted a request to transfer this contract to his son. This was completed under the provisions of the Post Office Act and authorization for the transfer of this contract was issued on December 23, 1963, the transfer becoming effective in February.

A contract renewal would have been authorized without tender as the rates were reasonable. I submit, Mr. Speaker, in view of the statement of facts I have just made, that the hon. member should withdraw without question the remark which appears at page 4813 of *Hansard*, where he is reported as saying:

> I agree, Mr. Speaker; the only thing I should like to get clear is that if the minister does not clarify the point he either lied to me or he is completely incompetent to do the job he is doing now.

I have given the hon. member the facts and I think his remarks should be withdrawn.

Some hon. Members: Withdraw.

Mr. Speaker: The Clerk will draw these remarks of the Postmaster General to the attention of the hon. member in due course.

Inquiries of the Ministry

Mr. Nicholson: May I also say in this connection, Mr. Speaker, that information has since been received that another tenderer is interested in tendering at a lower rate, so we propose to call for tenders in this matter. We will be calling for tenders within a matter of days.

EXTERNAL AFFAIRS

CONGO—SAFETY OF CANADIANS FOLLOWING UN FORCE WITHDRAWAL

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the withdrawal of United Nations military forces in the Congo today and the resignation of the Congolese government, with the attendant unstable political situation, can the government give us some assurance as to the safety of Canadians remaining in the Congo, particularly some 40 civilian personnel who are attached to the United Nations?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, it is regrettable, of course, that the United Nations has had to withdraw from the Congo at this time before the establishment of internal stability, but this is due to circumstances related to the reluctance of certain member states of the United Nations to bear their proper responsibility in the financing of peace keeping operations. Every step is being taken in collaboration with missions in the Congo to look after the safety of Canadians. I regret to say, however, that information has come that some of them may be missing.

Mr. Nesbitt: A supplementary question. Has the government consulted with the United States regarding the safety of civilians in the Congo?

Mr. Martin (Essex East): Yes, Mr. Speaker.

CYPRUS—REPORTED ISSUE OF ULTIMATUM BY TURKEY

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to ask the Secretary of State for External Affairs if he can advise this house whether Turkey has issued a new ultimatum in regard to Cyprus, and whether he can give us any clarification in this regard.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, as the house knows I saw the prime minister of Turkey last Wednesday and the prime minister of Greece

last Thursday. These two heads of government have since conferred with the secretary general of the United Nations and with the government of the United Kingdom. I would hope that as a result of discussions through the United Nations, no such step would be taken.

DISCUSSIONS RESPECTING CANADIAN SOVEREIGNTY OVER ARCTIC ISLANDS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I should like to direct a question to the Secretary of State for External Affairs. Have there been any discussions recently between representatives of the government of Canada and representatives of the government of the United States with regard to Canada's sovereign rights over the islands north of the mainland in the Arctic?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I would want to make sure that I fully understand the question asked by the hon. gentleman. Perhaps I would be allowed to answer the question later.

NATO—TABLING OF AGREEMENT REGARDING ATOMIC INFORMATION

On the orders of the day:

Hon. Paul Martin (Secretary of State for External Affairs): May I, with the consent of the house, revert to motions, Mr. Speaker, for the purpose of tabling a document signed by the members of the North Atlantic Treaty Organization today, being an agreement among the parties to the North Atlantic treaty for co-operation regarding the exchange of atomic information.

SHIPPING

REFERENCE OF WATER LEVEL PROBLEM TO INTERNATIONAL JOINT COMMISSION

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I have a question for the Prime Minister. On May 22 last the Prime Minister stated that the government would be making certain recommendations to the international joint commission regarding water levels on the great lakes. Yesterday the international conference convened by Premier Robarts urged a new and stronger role for the I.J.C. in this regard. Can the Prime Minister state whether the government has forwarded recommendations to the commission and, if so, what they embodied?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, if I may answer this question, some time ago the Secretary of State for External Affairs wrote to the governments of the provinces of Ontario and Quebec because, so far as the watershed is concerned, it is their waters which feed the lakes. A reply has already been received from the province of Ontario agreeing to turn over an increasing amount of authority to I.J.C., but as yet no reply has been received from the province of Quebec.

I think the conference yesterday dealt not with remedial matters but only with a statement of the problem as it existed. It was attended by some 60 delegates in all, and I believe the publicity and the statement of facts in respect to the problem is a very fine thing for us. I think we are moving in a direction where an increasing amount of responsibility will be assumed by I.J.C., supported of course by technical people, principally from my own department. In the very difficult situation in which competitive demands are being made upon a relatively small amount of water at the present time for power, for the floating of ships in Montreal harbour, and for a great variety of uses, I want to pay a compliment to the specialists who are in charge of this work and who are visiting the minimum amount of damage upon each interested section of the economy.

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question. Could the minister inform the house who is representing the government at the conference held at Montreal today, on the water level problem, and can he say whether that representative is offering the good offices of the government in co-ordinating research efforts on this problem?

Mr. Laing: Mr. Speaker, my parliamentary secretary is present in Montreal today and is accompanied by one or two officers of the water resources branch of my department. Complete co-operation will, of course, be proffered. I think he is suggesting that an increasing measure of responsibility be assumed by I.J.C., with our technical men making their contribution.

CANADIAN CONSTITUTION

SUGGESTED STUDY OF REVISION BY SPECIAL COMMITTEE

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Prime Minister.

Could he tell the house whether the government intends to set up a special committee to revise the Canadian constitution and adapt it to conditions prevailing in 1964?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the government has been studying for some years now the repatriation of the constitution, and that matter is on the agenda for the next federal-provincial meeting.

[*Translation*]

Mr. Gérard Chapdelaine (Sherbrooke): I should like to direct a supplementary question to the Minister of Justice, Mr. Speaker. Does he himself intend to call such a conference in the near future?

Hon. Guy Favreau (Minister of Justice): I think the Prime Minister answered that question when he spoke just now of the next federal-provincial conference.

[*Text*]

WORLD FAIR

CONGRATULATIONS TO MONTREAL ON COMPLETION OF SITE

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. I would like to ask him whether as a minister responsible for the world fair he intends to congratulate publicly the mayor of Montreal and his council, as well as all his employees, for having carried out that fantastic project of creating two magnificent islands which will be used as the site of the world fair to be held in Montreal in 1967?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): I am very happy to say, Mr. Speaker, that I shall be participating this evening in this memorable ceremony. I should like to join with the hon. member in congratulating Mayor Drapeau and all those responsible. May I also say that preparations for Expo 67 are proceeding well. I know this carries the support of all members of this house, since the exhibition was started under the previous government and is being continued under the present government.

[*Translation*]

Mr. Gérard Laprise (Chapleau): A supplementary question, Mr. Speaker. I should like to ask the Minister of Trade and Commerce in connection with the formal handing over of the St. Helen's and Notre Dame islands to be held this evening whether some security arrangements have been taken to avoid deplorable accidents as those witnessed Friday last on St. John the Baptist feast-day?

[*Text*]

Mr. Sharp: Mr. Speaker, since this is a celebration which is being put on by the mayor of Montreal to turn over the site of the exposition to the corporation, all arrangements are in the hands of the mayor. I am sure he is doing his very best to see that we are all very comfortable and safe.

LABOUR RELATIONS

DISMISSAL OF CANADIAN SAILORS BY IMPERIAL OIL CO.

On the orders of the day:

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to direct a question to the Prime Minister.

Without interfering in the private business of companies, could the government not make representations or recommendations to the Imperial Oil Company, which is now laying off several Canadian sailors, who earn $300 a month, to hire sailors from South Africa or the West Indies, when that company, in my opinion, is not that poor yet and derives benefits from Canadian natural resources?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): I think the only thing I could do would be to bring the hon. member's words to the attention of the company.

ADMINISTRATION OF JUSTICE

BRITISH COLUMBIA—REQUEST FOR APPOINTMENT OF COUNTY COURT JUDGE

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): I have a question for the Minister of Justice.

When will a county court judge be appointed in and for the county of Yale, British Columbia, to fill the vacancy created by the retirement of Judge M. M. Colquhoun? Actually this judge should have been appointed some time ago, because the law lists are all cluttered up and it is almost impossible to make a chambers application. The question therefore is urgent.

Hon. Guy Favreau (Minister of Justice): This matter is presently under active consideration. I must add that I have received no notice from the provincial authorities complaining of any such situation.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Robert C. Coates (Cumberland): I should like to direct a question to the Secretary of State, who answers for the C.B.C. In view of the successful and non-controversial production by the C.B.C. of a program on the Leader of the Opposition, and the less than successful production regarding the Prime Minister, is the C.B.C. now planning a further program featuring the Prime Minister?

Mr. Speaker: Order. This question surely is not in order.

UNEMPLOYMENT INSURANCE

REQUIREMENT THAT APPLICANTS POSSESS SOCIAL SECURITY CARDS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Témiscamingue): I have a question for the Minister of Labour. Will the minister investigate reports that claimants for unemployment insurance are being denied benefits unless they have applied for and received their social security cards?

Hon. A. J. MacEachen (Minister of Labour): Yes, Mr. Speaker, I have already investigated the situation. I find it is simply a continuation of a system that has long prevailed, under which applicants must have a number. They formerly had to have an unemployment insurance number. Now they must have a social insurance number. Only in cases where the applicant refuses to secure a number after being informed would any disqualification apply. The applicant will be given every opportunity to apply and determine his number before any disqualification would take place.

[Mr. Pugh.]

Mr. S. J. Enns (Portage-Neepawa): May I ask a supplementary question. Will the Minister of Labour say whether the voluntary registration for social security numbers is proceeding to his satisfaction?

Mr. MacEachen: I am happy to advise the hon. gentleman that the registration has been successful beyond all expectations. More than five million Canadians have registered to date.

TELEVISION

FILM ON PRIME MINISTER—OFFER BY INDEPENDENT NETWORK

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to direct a question to the Secretary of State arising out of the explanation he gave yesterday for the rejection by the C.B.C. of the Pearson film. I wonder if the hon. gentleman would ask the president of the C.B.C. if he would reconsider the offer I put to the minister to give to the C.B.C., in view of the fact it is apparent that a considerable element of C.B.C. shareholders are tending to believe the C.B.C., by its negative decision, may fear to expose its own standards and technical judgment to the public.

Hon. Maurice Lamontagne (Secretary of State): I have no objection to asking the C.B.C. management to reconsider its decision. However, I understand that the decision taken was submitted to the board of directors while they were meeting here last week and, under such conditions, I would doubt very much if the decision would be changed.

Mr. Fisher: May I ask a supplementary question. I just asked the minister to check and see if the board of directors' decision was not, in fact, about the showing of the film by the C.B.C., not the sale.

Mr. Lamontagne: I understand that the decision of the C.B.C. management was submitted to the board of directors.

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, may I ask a supplementary question?

In view of the C.B.C.'s decision, could the Secretary of State recommend to that crown corporation to hand that film over to the Crown Assets Disposal Corporation so that it may be disposed of at the highest possible price in order that Canadian citizens may recover a part of the money spent on it?

[*Text*]

FISHERIES

BRITISH COLUMBIA—CREATION OF FISHERY BEHIND PEACE RIVER DAM

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): I have a question for the Minister of Fisheries. Has the minister's department been advised by British Columbia hydro and power authorities of plans to establish a commercial as well as sports fishery in the huge inland lake to be created by the impounding of the waters behind the Peace river dam. If so, have they asked for the co-operation of the federal Department of Fisheries and the federal government in connection with this proposal.

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, to my knowledge no such request has been received by my department but if we do receive a request of this nature I can assure the British Columbia authorities of our co-operation.

URANIUM

BANCROFT, ONT.—NEGOTIATIONS BY FRENCH COMPANY FOR MINERAL RIGHTS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. In view of the fact that the Mokta company of Paris, France, is now negotiating in the Bancroft area for the purchase of the mineral rights to properties with uranium deposits, can the minister advise the house if the government is aware of this and also if they are assisting this French company in these negotiations?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I thank the hon. member for giving me this information. I was unaware of it. I will now follow up.

FLOODS

WATERTON LAKES PART—FEDERAL ACTION RESPECTING LOSSES

On the orders of the day:

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, I wish to direct a question to the Minister of Northern Affairs and National Resources. Can the minister now give an indication of the policy that will be followed in regard to losses suffered due to the flood damage in Waterton lakes national park?

Canadian Flag

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Not yet, Mr. Speaker. It had been my intention to visit the area last Monday, but unfortunately I was unable to do so. I have postponed my visit. I might say we have had three applications from lessees in respect of losses they have suffered. I am immediately confronted with the thought that if the government of Canada were to guarantee all uninsured losses against acts of God we would soon be in a difficult position. I think my hon. friend will agree with that. However, we have done our best to put the facilities of these lessees in an earning position again as quickly as possible. My hon. friend will be glad to know that attendance at the park exceeds that of last year. In the seven days ended June 28 we had some 14,000 visitors in 5,300 cars. That is very good indeed.

PARLIAMENT BUILDINGS

ERECTION OF SCAFFOLDING OUTSIDE PEACE TOWER

On the orders of the day:

[*Translation*]

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, the hon. member for Vancouver East (Mr. Winch) asked me a question yesterday concerning the exterior work being done at present on the peace tower.

I should like to say that the scaffolding which, in his opinion, mars the appearance of parliament will be removed this afternoon and the contractor will no longer have to use it.

The work will be completed in approximately six weeks. I have asked the contractor to expedite matters and to employ additional men if possible to work overtime.

[*Text*]

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed, from Wednesday, June 17, consideration of the motion by Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty King George V on November 21, 1921—three maple leaves conjoined on one stem—in the colours red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And the proposed amendment thereto of Mr. Diefenbaker.

Mr. John R. Matheson (Leeds): Mr. Speaker, tomorrow we celebrate another national birthday, our 97th, without a flag. "Canada does not have an official national flag—"

Some hon. Members: Yes.

Mr. Matheson: Mr. Speaker, I hear interjections from the official opposition. Those are not my words, so perhaps I should read them very carefully:

> Canada does not have an official national flag, but flies several which are regulated by custom, parliamentary act and orders in council. The union flag or jack, as it is commonly called, and the Canadian red ensign are the two most frequently flown by private persons and by public as well as governmental bodies. The Canadian red ensign is frequently flown both at home and abroad when a distinctly Canadian flag is considered desirable. Much heat is engendered by discussions over what flag should be adopted; indeed, their design has become something of a recurrent national pastime. So far successive federal governments have considered it prudent to refrain from taking a definite line one way or another.

These are a few of the words carefully chosen by Dr. Conrad M. J. F. Swan, Rouge Dragon, College of Arms, London, the first Canadian to be appointed by a sovereign to the college. They are taken from his published paper entitled "The Canadian Arms of Dominion and Sovereignty" which was presented at the fifth international congress of geneological and heraldic science held in Stockholm, Sweden, in 1960. This study is painstaking in its review of relevant authorities. Dr. Swan was speaking to a world body of experts.

Of all commonwealth countries, Canada has been the most careless respecting her colours. Without any underlying reason we stumbled into the use of the sea flag to designate our nation, the sea flag of the British merchant marine recognized as such all over the world. This is a presumption that should not be permitted to continue, a practice that has added little to Canada's dignity in foreign eyes.

The *Recorder and Times* of Brockville published on its editorial page recently this remark by a British visitor:

> Why are some of your people determined to hang onto a flag which never really belonged to you?

The sad fact, Mr. Speaker, is that Canada has remained too ignorant or too stubborn to conform to established British flag usage as a colony while at the same time she has been unwilling to assume the badge of a nation. This state of affairs is unworthy of a country about to enter its second century.

Let us hope that out of this flag chaos, for chaos it is, there may come order and beauty. It is time we had a flag to represent our own, our native land; and what is better than this long established sprig of sugar maple to portray us to ourselves and to the world? If this resolution carries we will have a banner that sends the clean and clear message "Canada" in such winsome form as to merit, I believe, the gratitude of our children and the rectorship of judgment.

Sir Charles G. D. Roberts loved Britain but pledged his allegiance to his own country. In his poem "Canada" he wrote:

> How long the ignoble sloth, how long
> The trust in greatness not thine own?
> Surely the lion's brood is strong
> To front the world alone!
> How long the indolence, ere thou dare
> Achieve thy destiny, seize thy fame,
> Ere our proud eyes behold thee bear
> A nation's franchise, nation's name?

The purpose of a new flag is to bear our name, the name Canada, and a Canada extending from sea to sea. And what about this flag about to be born, about to flutter on our plains and on our mountains, as well as on the far places of the earth? "I am not the flag; not at all. I am but its shadow. I am whatever you make me, nothing more. I am your belief in yourself, your dream of what a people may become. I am the day's work of the weakest man, and the largest dream of the most daring. I am no more than you believe me to be and I am all that you believe I can be. I am whatever you make me, nothing more."

This new flag will be what our brave brothers of the Royal 22nd and the Royal Canadian Dragoons make it to be in Cyprus, the banner of the peacemaker in a dangerous and frightened world. This is a flag of which our young men shall see visions and our old men shall dream dreams. It is our reminder that notwithstanding the love we hold for the lands of our origins our allegiance must be to the land of our children. We are today witnessing a Canada come of age. Permit me, Mr. Speaker, to close in the words of Milton:

> Methinks I see in my mind a noble and puissant nation rousing herself like a strong man after sleep, and shaking her invincible locks.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I am rising to speak on the amendment. I do not have any quarrel with those speakers who dwelt on the subject of the flag.

Because of the very nature of this moral and emotional issue it would be almost impossible for the Chair to try to limit this debate to the narrow terms of the amendment, but I think the time has come in this debate to put before the house, and I hope before the country, some sort of a logical reason why a plebiscite might be worth considering.

I personally do not support the concept of referendums or plebiscites taking the place of parliament. All the constitutional and common sense arguments that can be added up either on one side or the other do not destroy the essential responsibility of the House of Commons to speak its mind on issues before the country. However, Mr. Speaker, there are certain exceptions to this generalization and I suggest that on certain moral issues, on certain emotional issues, occasionally the House of Commons might consider in its wisdom the merits of using the device of the referendum or the plebiscite.

I am not a lawyer, Mr. Speaker. Therefore I will not attempt to present to the house any sort of legal or constitutional argument for this point of view. I hope to present what I trust will be a common sense case, because in this discussion across Canada I think many people would support me in the contention that a little common sense, to leaven the emotion that is arising on this issue, would serve the country well. So I want to read as an argument the precise words of the amendment and trust that many members of the house on both sides, in their own conscious thinking as to what their country will be in future, will consider the merits of a case for a plebiscite on the words of the amendment. The amendment reads:

> As the proposal to change Canada's national flag will affect the unity and destiny of Canada now and for years to come, the government be authorized to take such steps as may be necessary to conduct a plebiscite prior to any action being taken by the House of Commons, in order that all Canadians may be given their rightful opportunity to declare their choice concerning a national flag.

There are two main thoughts in this amendment. One deals with the question of the unity and destiny of Canada for years to come. Second is the question of giving to all Canadians a feeling that they have had a chance to declare their choice concerning a national flag. Let me make it very clear. The ever present paramount aim of all public men in Canada has always been unity. Because of the nature of our national make up it will always be the paramount aim of men of good will. This aim has been upheld by all political parties long before and ever since Canada became a federal state. I trust, Mr. Speaker, it will continue to be the case for many years to come.

Now, there is no question in my mind but that parliament has the constitutional right to decide which flag shall be flown at home and abroad as a distinctive national flag. That right is not challenged by this amendment. To keep the matter completely simple and clear, I wish to describe to the house a precedent which I believe in many ways is similar to the situation in which we now find ourselves.

I refer to the plebiscite on conscription in 1942. At that time Canada was at war. At that time the western allies were losing, and the cry for conscription was rising to a torrent in this country. There was a government in power with a large majority. It had the constitutional power to bring in conscription any time it wished and, like now, there was a furious debate in the house on this issue.

I would like to bring forward not the legal and constitutional arguments that are found in volume 1 of the 1942 debates. I do know that those legal and constitutional arguments make very clear that parliament has the power and the duty to make a decision on many matters before it, and it had that power and that duty in 1942 on the subject of conscription. Nor will I repeat the lengthy arguments used by the government in 1942 to support the idea of a plebiscite. The government of that day felt it had made a pledge at election time, and that to get off that pledge it had to have a plebiscite. What a change. Suffice it to say that in looking back on the events of 1942 and from the advantage of the historical perspective that we have now, we a nation in 1942 divided on an emotional issue. In fact many people of great sincerity believed it was a moral issue.

It was clear to anyone in 1942 that there was a large minority in Canada which had deep feelings against the use of conscription to obtain manpower to wage Canada's part in that war. My question is, did the government at that time, in the full knowledge that it had a majority in the house and the power to pass conscription legislation, decide that this matter should be determined in the House of Commons? The answer, of course, lies in the history of our country. The government of that day accepted the political realities of the situation as they existed in this nation known as Canada. They gave the minority a chance to express its views.

An hon. Member: And what happened?

Mr. Hamilton: I will read the words of Mr. Abbott, who was then a member of the government.

Mr. Knowles: In 1942?

Mr. Hamilton: In 1942.

Mr. Knowles: He was just a private member then.

Mr. Hamilton: I am corrected; he was just a member sitting on a government side. He said:

> It seems to me no useful purpose is going to be served by an interminable debate in this house or outside it as to the desirability or otherwise of this plebiscite. We are going to have it, and in spite of what some people may say it is a thoroughly democratic procedure. I spoke a moment ago about responsibility and I suggest that the people of the country as a whole now have an opportunity to assume their responsibility, to turn out and vote and show each other and the rest of the world, if you will, that democracy can be made to work even in wartime.

I use those words and repeat them today to illustrate the point that to give the people a chance to express themselves on that issue was a demonstration to Canadians and to the world that even in time of war Canada could face up to an issue in a democratic way. The people certainly did. The majority voted yes. The minority, with deep feelings, voted no. They had their chance to express their feelings in a universal ballot. When conscription was brought about there was aquiescence and in most cases loyal support for the decision. What could have been a terribly divisive force capable of dividing Canada for generations was subdued because the government even in wartime took time out to let the people speak.

Hon. members might let their minds go back to the deep feelings which were expressed against conscription in 1942, not only in Quebec but all across this country. Had that parliament, with all the constitutional authority it possessed, imposed conscription on the people of Canada without holding a plebiscite, then today, more than 20 years later, this country would still be divided on that issue.

You cannot expect a large group of people in a democratic state to be forced into an action they do not like. But give that minority a chance to express itself in a democratic way and the result might well be different. When it was clear in 1942 to all those in every part of Canada who opposed conscription that the majority did not share their view, even those who had opposed it acquiesced. And, to their honour, when conscription was ultimately introduced many of them loyally supported the government and served this country at home and abroad in the uniform of His Majesty.

I have called attention to this precedent because we are faced now with another emotional issue. This time it is a different group which feels itself to be a minority. I should like to suggest to all those who want to ram this proposed flag down our throats immediately that they should consider the feelings of those groups in Canada which want to remember this country as being founded by French and English alike in a common purpose and sharing a common destiny. They want their symbols to show that common background. Their feelings on this subject of a flag are equally deep.

This is not a subject for great wisdom; it is not a subject for great lawyers and constitutional experts; it is not a subject for flag experts and those who deal with these things. It is a matter upon which the views of every individual, no matter how small he may be physically and mentally, are just as important as those of all the experts gathered together. This is an emotional issue. Large groups in Canada feel their deepest feelings have been assaulted; that the feelings which they and their fathers grew up with have been steamrollered, and I could use other expressions which only those close to the earth would understand. These are their feelings. They may be wrong, but I suggest they feel just as deeply as the people felt in 1942 on conscription. They want to express their opinions.

Read the words of the members who were opposed to conscription in that debate. Many of them supported a plebiscite. Some said "Yes, if the majority approves it, we will abide by it." Today I plead with the house and particularly with those on the government benches. Because you have 128 members over there and we have 95 or 96 over here, you do not have to trample us into the dust on this question. I would like to see it recognized in 1964 that there is a minority in Canada which feels deeply on this matter of the flag, and I suggest that if this flag is pushed through now without their say-so, this minority will grow and grow; it cannot help but grow. If this flag is forced on those who do not want it there will be an irreconcilable minority for decades to come, just as there would have been with regard to conscription in 1942 if parliament had forced through the house a measure to impose conscription on people across Canada who felt as deeply as they did against it,

without giving them an opportunity to express their views. However, when they were given an opportunity to do so and when they saw, after a long period of discussion, that the majority did want conscription, to their honour they not only acquiesced but, in their thousands, loyally supported that decision.

It is the same situation today, only in reverse. The groups I have mentioned are loyal Canadians. They have called for a referendum so their views may be measured. They have said that if the referendum or plebiscite goes against them they will be loyal to the flag which the majority of Canadians choose. What more could you ask from them? The situation was just as it is today, when everyone of us is loyal to those flags which fly on parliament hill today because legally it is the only distinctive flag we have.

Some hon. Members: Hear, hear.

Mr. Hamilton: Many thousands of men—not all of them—who fought in the last war believed they were proving to the world that it was their flag; and now we are told it is not. I simply suggest that the majority of the Canadian Legion have surely earned, by their sweat, their loneliness and their service, the right to have their views considered on this matter.

Some hon. Members: Hear, hear.

Mr. Hamilton: When they were stuck in those platoons on the fighting fronts of the world in 1942, 1943 and 1944 and waited for reinforcements, they saw their government delay and have a discussion over a plebiscite and a vote and then take a long time to put in conscription. Some of us are old enough to remember the bitter words that were said on those battlefields. But looking back at that situation today in retrospect we realize that if that plebiscite had not been given in 1942 there would have been a country divided against itself even today. Perhaps many a Canadian boy is not back here today because the government was slow; but looked at in retrospect, that move eased the pressure and subdued the deep feelings that were there, because they had a democratic chance to speak their piece by marking in the word "yes" or "no".

That is what this amendment asks for today. Surely considering the political realities, as they were considered in wartime, if you can take time out to bring in conscription in the middle of a war, and when there are deep feelings on this issue today—and these feelings will increase on a matter such as this—and we want to maintain unity, we should give consideration to holding a plebiscite on this question of the flag. I suggest that when you already have the promise of these organizations that if the vote goes against them they will accept the new flag and loyally serve under it wherever duty calls, with that pledge you should honour the wish of the Canadian Legion at this time.

I am not going to delve into the intricate problems of the wording of the plebiscite. In my own mind I have gone through this many times. I want to keep the force of the suggestion I am making, which I think is a common sense type of logic, so clear that the people can make up their minds whether a plebiscite should or should not be used on this occasion. I think if the people looked at this situation with all the political realities as they are—and the whole country both east and west wants this country more united—here is one way that I suggest would help. Whether there is going to be, if this plebiscite idea is accepted, a committee of intellectuals, a committee of this house, or even a committee representing the provincial governments, regardless of what type of group you get together to plan the bare terms of this plebiscite I think a plebiscite could be worked out whereby the great majority of these people who now feel they are a minority would feel they had a chance to express themselves.

My final point to the house is this. If this democratic procedure, in the face of the political realities in Canada today, is not followed, then this flag debate may well become the turning point in Canada's history. The issue, as I see it, is whether to reinforce division or reinforce unity. When you have the pledge of these loyal organizations that they will support a referendum or plebiscite and will honour any decision that is taken by the majority, surely that is the way of unity. If you force a flag on the country without a vote you will leave a non-reconciled group on an issue on which it is vital to Canada that there be maximum unity.

I would appeal to those who have felt for many years in Canada that they are a continuing minority. I refer to those who come from the province of Quebec. Surely if you wish us who do not live in the province of Quebec to be always considerate of your position as a minority on issues that affect you deeply, such as your language, your culture and your religion—and believe me, in this country long before confederation and

since many of us have honoured those commitments—now that we have those with other loyalties in the maritimes, in the eastern townships, along the Ottawa river on the Quebec side, through many parts of Ontario—

An hon. Member: What about the prairies?

Mr. Hamilton: —yes, and through the parts settled by new Canadians on the prairies, and in that old province of British Columbia, you will give this opportunity to those who feel deeply about and adhere to the flag. Give this to those who look not on the union jack as their flag at the moment but on the red ensign; who are proud of the fact that it has religious significance to them, with the crosses of St. George, St. Andrew and St. Patrick on it; who are conscious of the fact that many of them left their lands in Europe to get the protection of the principles of law and justice which that flag has spread all over the world. Whether you live in Burma, India, Pakistan, New Zealand or Australia the principles of law and justice under that flag carry on regardless of what new type of government they have. These people should have the right to ask from the government a chance to use their democratic right to express their opinion; and this is all they do ask.

I have heard people say "They had a chance in the last election. They will get a chance in the next election". This argument does not hold, because such a great body of our country, when you are voting Liberal against Conservative, against N.D.P., against Social Credit and against Creditiste, consider that other issues are far more important and they will not vote precisely on the flag issue. This is why many people who are Liberal today do not want a change in the flag. If an election was fought on the issue—and many other issues would have to go along with that—they would vote for the Liberal party because they are more Liberal than they are interested in the flag. The result is that you will leave on the flag issue this unsatisfied minority which will be there for 10, 15 or 20 years—for as long as they live.

Now, you could use another choice. You could slap in this flag and then by propaganda try to convince the people of this country, even though it has no background—I think someone once said that if you cross a horse and a mule you get a jackass—no posterity and certainly no promise for the future.

Mr. Winkler: Don't bray so loud over there.

Mr. Hamilton: I should like to think that if you were going to win support for this new flag you should face the political realities. Those who support the red ensign today know that much of their battle was lost because they were betrayed by the ministers of education in the provincial governments. Hardly a province in Canada today which has complete constitutional power over its schools has regulation to the effect that the legal flag of this country, the red ensign, must be flown. We have hundreds of thousands of school children who think that the union jack is Canada's flag. It is not; it is the flag of a sister member of the commonwealth. It is a proud flag but it is not ours. Hundreds of thousands of school children have no knowledge of our flag because they never see the flag of their country when they walk to school in the morning and come out of it at night. If the government does bring in a new flag, what good is it to us? After a while the C.B.C. loses interest. After a while the news media lose interest. It is a five day or maybe a nine day wonder. Until our school children see that flag every day and are told what men have endured for that flag, it is a meaningless thing.

I suggest, Mr. Speaker, that the government cannot sell this new flag until they have the support of the provincial governments. And what do we find in this regard? British Columbia is going to fly four flags, and the other provinces will reveal their intentions in due course. I am simply suggesting that when the government have learned so much from the mistakes they made last year in trying to do everything in 60 days, with 300 days to regret it, why do they not adopt on such an emotional issue what I think is a reasonably logical and common sense approach, and if they are thinking of the long range unity of this country and of all people being behind this new flag in the course of a few years they could give to the present minority the same rights as another minority got in 1942. It is not on many issues that referendums and plebiscites should be used to take over the responsibility of the House of Commons; but I certainly believe that history has supported the plebiscite of 1942 and I should hope that history would support a plebiscite on the flag issue in 1965.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I rise to support the amendment moved by the leader of the official opposition (Mr. Diefenbaker) that a plebiscite be held on this very important issue. Before proceeding I must in fairness say that in doing so I am expressing my personal opinion;

but in expressing that opinion I am expressing the opinion of many of my constituents and, I am quite confident, of a large segment of the Canadian people. However, Mr. Speaker, I must say that I am very glad to belong to a party that protects the rights of the minorities which exist within it.

To indicate the views of many of my constituents on this question I wish to table a petition which was circulated by the young Progressive Conservatives association of Rossland and Trail in Kootenay West, which contains the signatures of something over 900 citizens of our district and which represents the views of members or supporters of all parties which exist in that constituency, the four major parties. As you know, Mr. Speaker, we have not the fifth party in Kootenay West. The petition reads as follows:

> We, the undersigned, believe Canada's heritage and future can be best symbolized only by the red ensign, bearing witness to her origins and the fundamental cultures from which will stem her future greatness. No twig of leaves alone can achieve this.

I wish to hand to the page boys this petition, which is 70 feet long and is signed by the good burghers of Kootenay West.

[*Translation*]

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): Mr. Speaker, I object to the printing of this petition in *Hansard*. We heard that the petition included 18,000 names. You can imagine what would happen if it were printed in *Hansard*. We would have a 3 foot thick volume. Consequently, as far as I am concerned, I object to the publication of this petition in *Hansard*.

[*Text*]

Mr. Herridge: Mr. Speaker, the hon. member misunderstands my intentions. I am not asking for the names to be printed, I am asking for the petition to be tabled.

[*Translation*]

Mr. Drouin: In that case, Mr. Speaker, I have no objection.

[*Text*]

Mr. Herridge: Then I am very glad we are in agreement on that question anyway, Mr. Speaker.

Now, Mr. Speaker, if you and the hon. members of the house will pardon a personal reference, I feel that my Norman, my English and my North American Indian ancestry provide me with a background that prompts me to respect all points of view and be able to deal with this question objectively, fairly and without undue emotion.

It is quite obvious that the flood of mail which members of the house are receiving on the flag issue indicates that many people's feelings are aroused to a far greater extent than they have been on some economic or social issues. That appears illogical on the surface but it is the fact. Something over 1,000 of my constituents have indicated to me their preference for the red ensign, and I think some six or eight have indicated their support for the proposed flag of the Prime Minister (Mr. Pearson). I contrast that with receiving on a very important issue 10 postcards. It just means simply that people are human and that many take for granted that the other issues will be dealt with by parliament and proceeded with according to their wishes. But people do get concerned over an issue such as this, which indicates that support for symbols can stir people to action who otherwise are not in the habit of writing to members of parliament or expressing themselves in vigorous language. While on the surface this may appear to be illogical, in my opinion it is a healthy sign which demonstrates that multitudes of Canadians still consider ideals before dollars or material values. There is a good aspect to this, and I do not think we should underestimate it.

Now, fortunately, we live in a democracy where people can freely express their opinions and make a choice. Some people prefer abstract art to some of the great masters, others prefer Ezra Pound to the reading of Shakespeare; others prefer Elvis Presley to Beethoven. It is their right in a democracy to choose. In the same spirit of freedom; therefore, some will choose the Prime Minister's flag in preference to the red ensign.

Another interesting thing, Mr. Speaker, is that all parties are divided. We recognize that. It is obvious from the frequent remarks and interjections made by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and some of his confreres from Quebec that the Progressive Conservative party is divided. There is nothing wrong with that on an issue of this type. The Liberal party is also divided on this issue. I have a very good indication of that. I see the hon. lady member for a Winnipeg constituency looking with some concern, but I shall have to inform her to that effect. Mr. H. M. Copp, of Vancouver, past president of the Vancouver-Burrard Liberal association, wrote a letter in which he said:

> Many Liberals, including myself, will never fly the proposed new flag unless the decision to replace the red ensign is made by all Canadians

through a national plebiscite, which decision will be respected by all fair-minded persons.

There we have a supporter for our point of view from a very important person in the Liberal party in Vancouver. Then, Mr. Foster Isherwood, a Liberal candidate for four elections in Victoria accuses the Prime Minister of pettiness, arrogance and bungling and says he has no mandate to introduce a distinctive national flag. Prominent Liberals in my constituency have informed me of their opposition. I should like to quote from one telegram which I received from a very well known citizen in my riding. I quote:

> The way in which Pearson has handled the flag question stinks. Regret now of ever having supported a Liberal candidate in the Kaslo-Slocan. Ask you to support red ensign or if necessary a design different from Pearson's folly. Good luck.

Now, that is rather strong language, but it shows how people can get concerned. Here are these people either opposing their party's policy or leaving their party as Mr. Isherwood did. He has now joined the Progressive Conservative party as a result of the flag issue, which indicates how deeply some people feel about these symbols.

I wish to quote from a letter addressed to Right Hon. L. B. Pearson, dated May 27, 1964 which indicates that there are differences of opinion in our party, too. We admit it readily. I quote briefly from this letter:

> We applaud your decision to seek a distinctive national flag for Canada, and recognize your courage in doing so. We believe, as you do, that the flag should be a source of national unity, and that it should be unmistakably Canadian in character. However, we protest that the maple leaf flag is neither of these things. Its only advantage is that it is innocuous, that it produces tepid approval, mild disapproval or indifference, and that it can therefore be adopted without any display of strong feeling whatever. We have a despairing feeling that this insipid flag, instead of promoting national unity, will produce only an indifferent response, and in doing so will subtly undermine the Canadian will to survive. We believe profoundly that this negative approach to our national symbols erodes our national spirit.
>
> The very essence of this country's history, and the reason for our national distinctiveness, has been the long and often turbulent marriage of French and English heritages. We have faith that in their depths, Canadians pride themselves on this union, and on its parliamentary and non-revolutionary tradition. Canada has a continuous history of 300 years of union. The creative tension between the two founding peoples has been a guarantee to other racial groups of their continued identity, in contrast to the American concept of the melting pot. These are the positive facts of our history; we cannot change them; they give Canada its sinews. The nation is strong enough to face its own task proudly, and to assert it. Whatever may be said about the use of the maple leaf as a Canadian emblem in the past, it has never gained anyone's vigorous allegiance, and it involves no commitment to the human fact of Canada.
>
> We believe that Canada has a distinguished culture of its own. We believe that this is a positive culture. We believe that the basis of this positive culture is a frank acceptance of both the English Canadians and the French Canadian civilization. We believe that a distinctive Canadian flag should reflect this positive fact.

Now, I want to bring to the attention of members of the house the fact that included in the names of those signing this letter is Mr. Eugene Forsey, director of research, Canadian Labour Congress, Ottawa. He was a delegate to the founding convention of the New Democratic party. Then there was Mr. Walter Pitman, head of the history department, Kenner Collegiate, Peterborough, who was a former New party member of parliament, and many of you will remember the excellent contributions he made to this house. I might also say I have numerous letters from members of our party in my constituency, and it is very interesting to watch the division of opinion on an issue such as this.

Here is a letter from an old time socialist, a left wing socialist. What does he say? He used to tell me that he was an old time socialist from England. This is what he says:

> Dear Bert:
>
> Please do your best to retain our flag.
> Don't be "Pearson".

I have received other letters that state the writer prefers the red ensign because there is a bit of red in it; others because they believed the flag itself was a better flag so far as design is concerned and for flying as a national flag. These letters indicate a wide division of opinion, even within parties. I might say that to some extent the division of opinion has been occasioned by the fact that no single party that has placed in its program that it believes in a distinctive national flag has defined what it meant by "a distinctive national flag". To date, we have the members of all parties expressing various points of view. In one instance they believe that the red ensign is a distinctive national flag according to the order in council, and from the other side you get the sincere belief that it is not a distinctive national flag. This has added somewhat to the confusion and to the division even within parties in this country.

The division within this country, and within political parties, in my opinion clearly emphasizes the necessity for adopting somewhat unusual procedures for the nation to make a satisfactory decision that will be accepted by all the people in the nation. I was a member of the joint committee of the Senate and the

House of Commons in 1945-46, appointed to consider and report upon a suitable design for a national flag for Canada. This committee held a number of meetings at which the question was thoroughly discussed. We had representatives of the college of heralds before us, or persons informed about the procedures of the college of heralds. We had different groups give evidence, and after hearing all the contributions on the question, I think we were supplied with some 2,700 flags by various people throughout Canada. There was a great deal of interest in the question at that time. The committee recommended as follows:

That this committee recommend that the national flag of Canada should be the Canadian red ensign with a maple leaf in autumn golden colours in a bordered background of white replacing the coat of arms in the fly the whole design to be so proportioned that the size and position of the maple leaf in relation to the union jack in the canton will identify it as a symbol distinctive of Canada as a nation.

The chairman declared the motion carried by a vote of 23 to 1. I should explain to the house that on that occasion it was pointed out by the experts in heraldry that so long as the union jack was an exact quarter of the ensign it indicated that the union jack was dominant, but that if it was reduced to less than a quarter of the ensign the flag as a signal would read Canada and the ensign would represent membership in the British commonwealth. The white edging around the golden maple leaf was placed there at the request of our colleagues from the province of Quebec, and there was only one dissenting voice when the vote was taken. That was from a gentleman known as Mr. Lacroix who was considered, I think, a very independent minded member of the Liberal party.

Our leader has very ably expressed the views of this party with respect to the commitments made by the Prime Minister to the electorate during the last election, and he has clearly outlined our views as to the priority that should be given to these commitments and the legislation required to give effect to them. However, by the unfortunate introduction of this issue at this time the Prime Minister has diverted the attention of parliament and the people of Canada from issues which are of immediate concern and importance to the people. In my opinion the Prime Minister has committed a series of unfortunate blunders in dealing with this issue, and before concluding my remarks I wish to mention them.

I would say the first was in March, 1963, when he promised a Winnipeg audience of foreign language newspaper editors that a Liberal government would produce a distinctive Canadian flag within two years of assuming office. The Prime Minister had a perfect right to do that, but this has not produced the response from the groups in question that the Prime Minister expected. By doing so under these circumstances it was considered in other quarters as a somewhat partisan play for support of his flag from one very good section of the Canadian people. This has not been appreciated to the extent that the Prime Minister thought it would by these groups.

In my opinion the Prime Minister's second blunder was when he announced he would consider the House of Commons vote on his proposed flag as a vote of confidence. This means that if the house rejects his flag parliament will be dissolved and the Prime Minister will call an election with the flag issue as the major reason therefor. I think that would be a most unfortunate circumstance in Canada at this time in view of the pressing legislation that demands the attention of the house and which is required by the Canadian people.

In my opinion the Prime Minister's third blunder was when he informed us that there would be continuous debate on the flag, with this issue taking precedence over all other legislation on the agenda. That was what he said in the first instance. Since then the Prime Minister has had to gee and haw, has had to back and go ahead, and so on. He has been marching forward by tramping sideways. It was a most unfortunate suggestion on his part that this issue was going to be considered first by parliament, to the exclusion of urgent matters.

His fourth blunder was in announcing the policy of the government on the flag issue by means of the issuance of a stamp. What does this mean? Does this mean that we must watch our stamps as an indication of government policy in the future? So far as I know this is the first time in Canadian history that government policy has been announced by the use of the graphic arts. Just think where this could lead us. We are all watching every issue of stamps very carefully. For instance, suppose the Prime Minister causes a stamp to be issued with a picture of the Secretary of State on it for the purpose of announcing a change in C.B.C. policy and with a motto on it reading: Don't make a mountain out of a molehill. Just imagine. We would all be wondering what legislation was going to come before the house.

Suppose the Postmaster General issued a stamp showing the Postmaster General shooting down a stork in full flight. We would wonder whether he was going to adopt the bill that has been proposed by the hon. member for Burnaby-Richmond (Mr. Prittie). It would keep us all on the alert. There are endless possibilities to the announcement of government policy by the issuing of stamps. We think that policy should be announced in the house and that members of the house and the people of Canada should not be kept in a highly nervous state from day to day trying to read the meaning of government policy from the stamps that are issued from time to time. We think that was a blunder.

Fifth, Mr. Speaker, in my opinion it was a blunder for the Prime Minister to address the opening ceremonies of the annual convention of the Royal Canadian Legion at Winnipeg on this issue. While some have lauded him for his courage, and you can look at it from both points of view, it appears to me that in view of the announced policy of the Legion and the very strongly held and expressed views on the part of the great majority of the membership of the Legion, his speaking on this issue at their annual convention was a venture similar in nature to the leader of the New Democratic party addressing a nominating convention of the Progressive Conservative party on the virtues of socialism.

Mr. Knowles: A good idea.

Mr. Herridge: I think that was a big mistake. It caused unnecessary misunderstanding and unnecessary heat to be generated over this important question. At this point I want to take the strongest exception to a cartoon that was published in the *Citizen* some two or three weeks ago with respect to the Royal Canadian Legion and which I thought portrayed veterans in a very undignified way. I think it was entirely uncalled for. None of us minds seeing a bit of wit and humour in a cartoon, and some sharp thrusts, but I think it is going a bit too far to depict aging veterans of this country sitting around a table drinking beer and content to remain as bloated windbags. I think this was a most unfortunate cartoon. It has been strongly resented by members of the Legion and their dependants and by many other Canadians. In my opinion it was in very poor taste indeed.

It is wonderful how news travels, Mr. Speaker, and I am wondering whether the Secretary of State for External Affairs (Mr. Martin) has tipped off some of his friends in the United States with regard to what he expects is going to happen. The new flag proposed by the Prime Minister is being flown over buildings in New York and Washington, not public buildings but over department stores and other buildings owned by corporations and companies.

Mr. Habel: Already?

Mr. Herridge: Yes. We have pictures of them. They have been told: It's all right, boys; go ahead. This is the free enterprise system. A sales pitch is already being made in the United States for the sale of the new Canadian flag. This is not being done because of any love for Canada. I am quite confident that behind this action are the usual mercenary instincts which prompt such persons to take advantage of any developing social situation, whether it be by increasing the price of land because of the building of new houses, or something else. They take advantage of the opportunity for their own profit. In any event, we know that the news has reached the United States.

I want to repeat that this is an important question. I respect any person's sincere view upon it, whatever his view is, but I agree with the hon. member for Qu'Appelle (Mr. Hamilton) that the issue is so important it can only be resolved to the satisfaction of the present and future generations by a plebiscite in which the Canadian people will have the opportunity to choose between the Prime Minister's proposed flag, the red ensign or some modification of the same, or some other flag.

I think this is necessary, and that the majority will accept the decision with good will. The Royal Canadian Legion has expressed its opinions strongly in that respect. So have a number of other well known organizations, and I have received a good many letters to that effect.

We should not get too alarmed because people become, as I said before, very concerned about this issue and a little bit worked up. I glory in the fact that Canadians are not altogether concerned with dollar issues. They are concerned with all of these issues related to ideals, related to history, and related to symbols which mean a great deal to all of us in western civilization, whatever those symbols may be.

Therefore, Mr. Speaker, I am of the opinion that in view of the nature of the issue, the emotional nature of the issue and the close involvement of the people on this

account, and in view of the succession of blunders made by the Prime Minister in the handling of this issue, and in order to obtain a decision satisfactory to the majority of Canadians, it is necessary to support the amendment for the holding of a plebiscite throughout the country so that once and for all we can determine the wishes of the people with respect to a national flag.

The Acting Speaker (Mr. Batten): Order. I should like to make a comment about the petition which the hon. member for Kootenay West (Mr. Herridge) has presented to the house. I should like to refer the hon. member to standing order No. 70, on page 49 of the "Standing Orders of the House of Commons". Subsection 1 says this:

> A petition to the house may be presented by a member at any time during the sitting of the house by filing the same with the Clerk of the house.

My understanding is that the interpretation of that particular standing order is that it is to be filed with the Clerk of the house in the Clerk's office. I should also refer to section 2 of the same standing order which says:

> Any member desiring to present a petition in his place in the house must do so during routine proceedings and before introduction of bills.

I am sure the hon. member will recognize the meaning of that particular section and of the action which he has taken in tabling the petition after that period during the day. I might suggest to the hon. member that the better procedure would be for him to present the petition to the Clerk of the house in the Clerk's office.

Mr. Herridge: Mr. Speaker, I wish to thank you for your explanation. As one who always tries to keep the rules I trust I will not be named for this violation of the rules, and at the first opportunity I shall take the petition and present it to the Clerk in his office.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, we are all stiff from straining our history muscles in preparation for this debate. It is rather like term essay time in college. Seldom have the librarians been hurled into the battle so early and in such force. I know they welcome the pause which the delays in the debate have given them to clear away the debris of flag books, photocopies, old orders in council and crumpled library slips. They have been struck by a hurricane of heraldry.

Our flag history in the west is somewhat different from that of the rest of Canada, because we are different. The Hudson's Bay Company was trading on the prairies before the American revolution, and long before United Empire Loyalists were heard of. They had their charter from Charles II in 1570, just three years after the birth of Champlain, the 400th anniversary of whose birth incidentally is celebrated in our centennial year. They also had permission to fly the red ensign with the letters H.B.C. in the fly as their company flag. This flag flew over trading posts and forts when John A. Macdonald was a child. It flies over our Hudson's Bay stores in the west today and will continue to fly over them after Canada has adopted the maple leaf flag. Thus, the government of Canada was not the first to fly the red ensign in British North America.

The Canadian red ensign is not a unique and distinctive flag within Canada. We have another and an older one in the west. I wish to extend to all members of this house who may feel an unbearable nostalgia for the red ensign, and particularly to my good friend the hon. member for York-Humber (Mr. Cowan), who, unfortunately, is not here this afternoon, an invitation to visit the beautiful city of Vancouver and shop under the old H.B.C. red ensign, six days a week and to nine o'clock on Friday evenings.

Nor is the red ensign distinctive outside Canada. In a window in Toronto airport you may see today a display of world flags among which are seven British ensigns, blue and red, including our own. If you carried the red ensign across Texas, do you really believe that anyone would say, "Hello, Canada"?

Some hon. Members: They sure would.

Mr. Deachman: Like a woman wondering what to wear, Canada has never been able to make her mind up about a flag. John Bourinot, a clerk of the House of Commons, who sat in the very same chair which Mr. Raymond occupies with such distinction today, wrote a book in 1895 called: "How Canada is Governed". In it he said this about our flags:

> The union jack is flown from all fortresses and garrisons of Canada. The Dominion of Canada has also authority to display on all public occasions a national flag, viz., the red or blue ensign. The red ensign is displayed at the opening and closing of parliament, and on national occasions.

The custom of flying the red ensign in Canada appears to have originated before confederation. Sir Edmund Head, later to be governor of the Canadas, wrote to Lord Grey in 1851 saying: "Their flag should be a modification of our own with a difference of some kind." Thus, the idea of an ensign or modified

union jack stems, not from Canadian minds, but from the colonial office.

Sir John A. Macdonald apparently encouraged this idea by flying the red ensign on parliament hill. As a Scot, he was probably no union jack lover. James VI had made the first union jack when he slapped England's cross of St. George on top of the cross of St. Andrew and told the fiercely protesting Scots to like it or lump it. Scottish loyalty to the flag today expresses more their increasing equity and proprietorship in England than their brotherly love of Englishmen.

An illustration in Canadian *Illustrated News* of February 26, 1870, shows the red ensign on the parliament buildings without any identifying crest or badge on the fly. I think I am historically correct in saying that the first red ensign flown on the House of Commons was the undefaced marine ensign, flown by Sir John A. Macdonald in the very first years of confederation. It appears to have flown there regularly until 1904 when a curious incident occurred. On St. Patrick's day, Mr. Henri Bourassa, the member for Labelle and the René Lévesque of his day, rose in the house and said:

"I noticed on the day of the opening of parliament as well as today, which is St. Patrick's day, that the Canadian flag which used to be put up on the tower of parliament buildings has been replaced by a union jack. I would like to know why the old flag that has been used in Canada ever since confederation should be laid aside".

I can think of no one less likely to champion the flag of Sir John A. Macdonald than Henri Bourassa, unless it were Louis Riel himself. Yet there he was calling upon Sir Wilfrid Laurier to explain what he had done with Sir John's flag.

Sir Wilfrid rose, and if he is remembered for his courtly manners and gracious speech he wasn't wasting any of them on his rival that day. He said:

I am sorry to say that I cannot satisfy today the rather fastidious curiosity of my hon. friend but I will make inquiry and try to give him an explanation upon another day.

Mr. Bourassa replied: "Perhaps the British empire league has something to do with it".

Then the Hon. James Sutherland, minister of public works, spilled the beans. He said:

I may explain to the hon. gentleman that the flag hitherto flown on the parliament buildings has been what is known as the Canadian merchant marine flag. It is not the national flag in any other sense. The national flag, as we understand it for this purpose, is the union jack. Many complaints have reached the department on previous occasions that the flag floating over the parliament buildings was not the authorized flag for that purpose, and when we were buying a new flag the one which was bought, in accordance with the custom of Canada and all portions of the empire throughout the world, was the one authorized for the purpose.

[Mr. Deachman.]

Quite a different story than the one given by Bourinot in 1895. Then Mr. Bourassa said:

I know that the red ensign is the merchant marine flag but I know it has always been used in this country as being the special colonial flag to which we have added the escutcheon of confederation. It has always been used on the building.

There the matter was dropped. Not a tear from a Tory as Sir Wilfrid pulled down the red ensign and stuffed it into the flag locker—only the plaintive protest of Henri Bourassa. Sir John A. Macdonald had introduced the red ensign to Canada simply by running it up the pole like the jolly roger, when he swarmed aboard the ship of state; and Laurier had struck it from the mast the same way.

Years later in May, 1931, Mr. Cameron McIntosh, then the member for North Battleford referred to the incident. He said:

Before 1904 we had the red ensign with the coat of arms of Canada in the fly, which flag was our flag from the days of Sir John A. Macdonald down to 1904. The flag was flown across this country from ocean to ocean; it was the national flag from Atlantic to Pacific. However, it was hauled down in 1904. Why? The circumstances surrounding the taking down of that flag have never been made known to the Canadian people but it was taken down and from 1904 to the present day the union jack has been flown in its place. In 1912 the union jack was made the official flag of Canada by the secretary of state for the colonies and from 1912 to 1931 as from 1904 to 1912 the union jack has been flown in Canada as our Canadian flag—something distinctly it can never be. The red ensign, differenced by the Canadian coat of arms, is flying outside of Canada, but it is not the official flag in Canada, it was hauled down and has never been put up.

The Conservatives were in power in 1931. They could have restored Sir John's red ensign to its place on top of the peace tower. The tower was there, but they chose not to. They left it for Mackenzie King to do that in 1945.

King, at heart a red ensign man, was always under suspicion of performing some jiggery-pokery with the flag. As long ago as May 31, 1929, Mr. Thomas Donnelly asked this hair-raising question:

I would like to ask the Prime Minister if a committee has been appointed, as stated, consisting of six or seven Roman Catholic priests to provide a new flag for Canada.

While I am debunking some history, I want to return to the prairies at the time of confederation. I have said that the flag which flew in the early west was the red ensign of the Hudson's Bay Company.

When Riel took Fort Garry in 1869 the Metis pulled down the company flag and ran up the flag of the provisional government, which bore the fleur-de-lis for their French origin, and shamrocks in honour of William O'Donaghue, Fenian and friend of Riel.

In the spring of 1870, Riel pulled this flag down and ran up the union jack as an indication of his provisional government's willingness to co-operate with Ottawa. When O'Donaghue tried to pull down the union jack, Riel called André Nault, the man who commanded the firing squad which shot Scott, and ordered him to shoot anyone who tried to pull down the union jack. The whole story is told in Davidson's life of Louis Riel.

Thus, Riel became a sort of Canadian Barbara Frietchie:

> Shoot if you must this old gray head,
> But spare your country's flag, she said.

Western flags do not end with the Metis flag, and the Hudson's Bay Company flag. We have a British Columbia flag which we acquired quite as casually as Canada acquired the red ensign from Sir John A. Macdonald. One day, about two years ago, Mr. Bennett came home from a visit to England and announced that he had found the flag of British Columbia in the catacombs of the college of heralds, where it had lain unseen by man for many years, like the body of Tutankhamen.

It consisted of a union jack, a series of wavy blue bands to represent the Pacific ocean and shooting up over the whole thing the rays of a big yellow setting sun. Harold Weir, a Vancouver *Sun* columnist, put on sun glasses against any possible injury and went out to see it. He described it as a "startling salmagundy of form and colour". I looked up "salmagundy" and found it was a meat salad of many ingredients. I see many B.C. flags around these days, and I will say this for them; they are certainly bright and cheerful.

Today this flag, along with the red ensign and union jack, are flown on poles all the same height—on the grounds of the legislature in Victoria. In a statement to Canadian Press, Mr. Bennett said:

> If parliament approves the proposed maple leaf flag it will be flown in front of the legislature but only in addition to the three flags being raised —the ensign, the union jack and the B.C. flag.

Although I am hesitant to break the news to him, for fear what it may do to his mind, I must tell the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) that in British Columbia we will have not two flags —not three flags—but four flags.

We do not need another flag in the west. We have plenty of them now and we are loyal to them all in our own fashion. Visiting American Rotarians are already confused by the several flags blazing behind the head table. They do not know which way to turn when the anthem is played. How can we explain another one to them?

If Canada were the west alone, I do not believe we would choose a new flag now. Some would agitate for one. Most would be content to keep our old banners. If the choice were ours we would not choose a maple leaf. The sugar maple is not a part of the west. The buffalo, the wheat sheaf and—on the totems of our coastal Indians—the thunderbird; these are the symbols of the west. Yes, even the old red ensign of the Hudson's Bay Company. How distant and how unreal the battle seems. We are 3,000 miles from the bicultural front. The aspirations of Quebec are interpreted to us by the Anglo-Saxons of Ontario, and sometimes I think they lose a little in translation. We hear the voice of Quebec on the second or third echo.

How easy it would be for western members in this debate to vote for a plebiscite. We could drop our parliamentary responsibilities with the easy abandon of Gypsy Rose Lee dropping her beads. We could leave it to the men in the wheat fields, the girls in the offices and the boys on the fish boats to vote for the flag—or to vote against it. Then, when barnyard patriots had won the day, we could come back and shout at our French Canadian brothers in the house: We have a mandate from our people and we are here to impose it on you.

Come, let us reason together. Is this what we in honesty believe we should do to Canada? Are we to go to the two million Europeans and Asians who live in the west and ask them for a mandate to shove a flag which flew at the masthead of Wolfe's ship down the throats of five and a half million of their fellow Canadians who live 3,000 miles away? Said Lord Durham, of the Canadas in 1839: "I found two nations warring ... the children lisped the hatred they would feel as men". Will it be any different if we fail in this debate to find the meaning of Canada?

In his address on the flag, the right hon. Leader of the Opposition (Mr. Diefenbaker) singled out the ridings of Victoria and Vancouver. I have singled out the city of Prince Albert, perhaps a more typical western city, to illustrate my case. These are the people who live there: 11,331 British, 3,560 French,

226 Austrians, 67 Czechs and Slovaks, 16 Finns, 1,764 Germans, 280 Hungarians, 46 Italians, 94 Jews, 551 Dutch, 1,063 Poles, 210 Russians, 1,891 Scandinavians 2,260 Ukrainians, 174 Chinese, 225 native Indians, and 410 from other countries. There are 24,168 people in Prince Albert. The minority are of British origin. I would sooner toss a skunk into a Sunday school picnic rather than set the good people of Prince Albert against each other on the subject of a distinctive Canadian flag versus a flag of British design and origin.

Mr. Skoreyko: What absolute nonsense.

Mr. Deachman: Kennedy said:

> With a good conscience our only sure reward, with history the final judge of our deeds, let us go forth to lead the land we love—

That is what we were asked to do when we were elected—to lead the land we love. We are sent here to participate in the political leadership of Canada. For my part, I willingly accept that responsibility for the people of Vancouver Quadra.

I believe a plebiscite would be a beast let loose on the land to tear at the guts of national unity.

Mr. Winkler: That is a very profound statement.

Mr. Deachman: I believe Canada needs not only a distinctive flag but a distinctive Canadian spirit. Wolfe and Montcalm were not Canadians; they were two lonely imperial soldiers fighting a battle thousands of miles from home. They had no personal links with Canada, no interest in her destiny, no Canadian spirit. The forgotten man whom Canadians should remember was Abraham Martin, a 17th century Scot who died exactly 400 years ago. He married a French girl, came to Quebec, and eventually acquired the lands on which the battle was fought a century later, the plains of Abraham. No Canadian traces his name to Wolfe and Montcalm, but hundreds, perhaps thousands, do to the Scottish-French couple who were among the first Canadians. We built a statue to the victor and vanquished and forgot the Canadian couple, Martin, who triumphed by doing what comes naturally.

I ask those who wrote to me to say Quebec should shove off, to read Vincent Massey's speech in Charlottetown on Monday, June 1, 1964, in which he said:

> If the maintenance of our east and west links is questioned as a national policy, the doubters are men who fail to understand the land in which they live...We have two founding races, French and English in origin, their languages and cultures having a special and permanent place in the national scene. That is an historical fact, not a political judgment.

I ask all those who sent me pictures of the red ensign, patriotic poems and prayers, to remember the words of Arthur Meighen which he spoke on the occasion of the planting of maples in the cemetery at Vimy Ridge in 1921:

> Above them are being planted the maples of Canada in the thought that her sons will rest the better in the shade of the trees they knew so well in life.

Do you believe, if they could speak, they would reject a maple leaf flag for Canada? Finally, I ask that under our new flag each of us, west and east, strives to make this nation such an example of unity at home and integrity abroad that people will recognize our flag, wherever in the world it is flown, and say with pleasure "Hello, Canada".

Mr. Skoreyko: On a point of order, Mr. Speaker; it is obvious that the hon. member was reading from a document. I wonder if he would care to identify that document.

Mr. Deachman: I will be very glad to identify it, Mr. Speaker. The document was copious notes which I had prepared—

Mr. Smallwood: Notes. You read every word of it.

An hon. Member: Are you jealous?

Mr. Deachman: —from various books available in the library of parliament to every member of the house. I will be glad to identify to my hon. friend the sources of my information and make available my notes, if they are of value to him. I am sure he is really asking because he feels they would be of some value to him.

Mr. Charles Lamb (Victoria, Ont.): Mr. Speaker, I have listened with considerable interest and attention to what has been said by the hon. members who have participated in this debate. What I am about to say reflects the feelings of the Royal Canadian Legion, the Imperial Order of the Daughters of the Empire and a great number of other Canadians who have felt keenly enough about this issue to take the time to write letters—

[*Translation*]

Mr. Dupuis: Mr. Speaker, on a point of order. It has just been pointed out, on the Conservative side, that speeches should not be read in the house. Now, the hon. member who has just risen is beginning to read a text

he has before him. I would like to call his attention on the point of order which was raised by his colleague, a few moments ago.

[*Text*]

Mr. MacLean (Queens): Mr. Speaker, on the point of order I wish to say that perhaps the minister is not aware of this, but in this House of Commons, ever since confederation I presume—at least, ever since I have been here—there has been such a thing as courtesy—

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): —and it has been general for Speakers to ignore the fact that new members may be reading from copious notes in their early speeches in this house. I resent the advantage that the minister has taken of this situation to raise this sort of point of order.

Some hon. Members: Shame.

[*Translation*]

Mr. Dupuis: On that point of order, Mr. Speaker, I should like to point out to my hon. friend that we always allowed hon. members to read their texts. Objections have always been raised by members of his party. That is why I remind him that they always lacked courtesy, but we never did on this side of the house.

[*Text*]

Mr. MacLean (Queens): If I may continue, Mr. Speaker; I do not think the hon. member for Vancouver Quadra (Mr. Deachman) objected to having a little fun poked at him, and if the minister in question was not so thin skinned he would not have raised this question as a point of order.

[*Translation*]

Mr. Dupuis: You should listen carefully and you would learn that you are still in error.

[*Text*]

Mr. Douglas: On the point of order, Mr. Speaker, the previous member was not interrupted when he was making his speech. It is true that he was asked afterwards whether or not he had read from a manuscript, but he was not interrupted; and I think this member ought not to be interrupted. May I say to the minister that probably if he were to read some of his speeches inside and outside the house, he would not get his foot in his mouth so often.

Some hon. Members: Hear, hear.

Mr. Deputy Speaker: Order, please. The point of order that has just been raised by the minister is now developing into a discussion. This point of order has been raised on a number of occasions previously. It was raised while I was in the chair, and at that time I referred hon. members to citation 144 of Beauchesne. By virtue of what is said therein, I am sure there is no difficulty about the hon. member continuing to make reference to his notes.

The hon. member for Victoria (Ont.).

Mr. Lamb: Thank you, Mr. Speaker. The letters to which I have referred were expressing disappointment with the choice of a Canadian flag, and the hope that the outcome of this debate would be the retention of the red ensign as Canada's national flag. The Prime Minister and his government have made their position very clear. They have chosen what they call a truly distinctive Canadian flag. Now the Canadian Legion and the people across Canada are making their stand known to members of parliament in every party, and in the final analysis it will be the vote of the individual member and senator, whether he be Liberal, Conservative, N.D.P. or Social Credit, that will decide what has become a crucial issue.

The Legion's fervent desire for the retention of the red ensign as the national flag of this land is, I believe, shared by the majority of their fellow Canadians. Surely the Prime Minister (Mr. Pearson) realizes the bitter feeling and disunity which this proposed flag will create in all parts of the country, instead of the harmony and unity that all patriotic Canadians earnestly desire. But there are always those who are not content to let well enough alone. For the past few years scores of people have been working diligently to design what is in their opinion the perfect symbol of our national existence. Like all other hon. members I have received dozens of suggested designs. But Canada has a distinctive national flag which takes its status from an order in council dated September 5, 1945, its use authorized "wherever it is desirable to fly a distinctive Canadian flag." That is the law so long as the order in council remains in force, and it is a blunder to divide the people of Canada at this time when it is clear that the change will encounter bitter resentment from a large part of our population.

Approximately 100,000 Canadians died on the battle fields during world wars I and II and in Korea, and many thousands of war casualties lie in military and public hospitals

throughout Canada still suffering from these conflicts. All these Canadians proudly served under the Canadian red ensign during time of war, and still wish to serve in time of peace under the same flag. Resistance to the idea of a new flag is based on the feeling that much of the sentiment in favour of a new design is a desire to weaken all signs of connection with the British empire, and all its traditions of freedom and peace.

The red ensign means something to Canadians that can never be wiped out. It is a symbol, and a nation's flag is full of meaning. We are told that the red ensign has no meaning for those ethnic groups who have emigrated to this country and become Canadians. I cannot accept that argument. Canadians comprise almost every race in the world today. These people came here from other lands by choice, knowing that the union jack and the red ensign were part of our history. In fact they were probably influenced by that very fact, because they are symbols of liberty, freedom and equality. Every Canadian, whether he be of English or French origin or an immigrant from Europe, owes much to British institutions and to British justice.

At this point, Mr. Speaker, I should like to quote from an article in the Lindsay *Post* for Friday, June 5, 1964. There is a picture of the Fenian raid medal which was issued back in 1870 and was presented to a gentleman in my home town of Lindsay. This article says:

"This undignified uproar regarding a Canadian flag is obnoxious, at least it is to me", said R. W. Pitts of 80 Cambridge street north. He added, "The ensign goes a long way back in Canadian history. I have in my possession a medal I am very proud of because it bears the name of my father, Sergeant R. E. Pitts, who was in the army in the days of the Fenian raid. It is dated 1870, and is made of silver with a fine likeness of Her Majesty Queen Victoria, who was known as 'Queen Victoria the good' ".

On the reverse side of the medal appears the red ensign. It is quite discernible although it is showing the minor ravage of old age. At the bottom appears the coat of arms and on the edge is the name of Sergeant R. E. Pitts, 56th B.N.

The historic emblem of the days of the Fenian raid is supported by a ribbon of red, white and blue.

Sergeant Pitts, who was of Irish extraction, was born in Cornwall and participated in the Fenian raid which reached its climax at Niagara Falls. Canadian soldiers were strewn along the long stretch of the St. Lawrence river.

R. W. Pitts, of Lindsay, Sergeant Pitt's son, is the proud possessor of his father's medal.

For the benefit of hon. members who have not seen this medal I should like to hold up this paper, which shows a picture of both sides of the medal. This medal goes back to 1866 in the days of the Fenian raid, which reached its climax at Niagara Falls with fighting along the banks of the St. Lawrence river; and the red ensign was flown in those days. The reason I mention this, Mr. Speaker, is because I want to show why we should still uphold the red ensign.

Our real attachment to British institutions and their symbols is not chiefly one of sentiment, but an admiration of British justice and fair play, for freedom to live our own lives and worship according to the dictates of our own conscience without hindrance from any man. This genuine patriotism we can ask and expect any Canadian, of whatever race or language, to share with us as a common inheritance. It has been said, and rightly so, that a country which does not honour its past has no future.

The advocates of a new national anthem seem to have accepted "O Canada" as such, and have had some success in inducing others to accept it. But "O Canada" is no more Canada's national anthem than the "Maple Leaf Forever" which is a good deal older and to my mind not noticeably inferior. Canada's national anthem is "God Save the Queen". It has by usage been accepted by all the subjects of the British crown to express their devotion, and is honoured by the majority of Canadians. "O Canada" is more of a lament than an anthem, but for the last few years it has been used by the people at public gatherings as Canada's national anthem. Not one person in 20 can recite the words, and I believe there is both a French and English version. Brass bands can do very nice things with it; but it is not an anthem, and until someone can come up with something more suitable, let us keep "God Save the Queen".

In my home county of Victoria, Mr. Speaker, there are 25 reeves and deputy reeves. Victoria county takes in a large portion of one of the finest agricultural areas of Canada. At their meeting on Monday last the county council passed a resolution calling for the red ensign to be flown above county buildings and wherever a flag should be flown in any part of the county of Victoria, which covers a large area. I was very pleased to hear this. In closing I want to say I am very much in favour of the red ensign, and I will do all I can in my power to see that this great flag is retained as the national flag of Canada.

[*Translation*]

Mr. Léo Cadieux (Terrebonne): Mr. Speaker, in the Montreal *Star* of June 16,

I read a dispatch from Paris where a correspondent indicated that Europeans did not know whether they should laugh or cry at the spectacle of a country such as Canada now being stirred by a debate on a flag.

At first, those people were amazed to learn that Canada did not have a flag. In certain quarters, it was understood that the Prime Minister's action, in his proposal for the choice of an emblem, was finally leading to the total emancipation of our country.

I am sure that such a reaction, which was noted in foreign countries, is also that of the great majority of the Canadian people.

Let us not complicate the matter ourselves. The people, great simplificators that they are, have understood for a long time. They know from instinct that if we do not have as yet a distinctive national emblem, the fault is imputable to their representatives. They have long judged the sterility of empty quibbling. They have confounded all sophisms. They wish and long for unity, and they always suspect that some instigators of dissension are craftily attempting to compromise that unity.

The people refuse to admit that, after 40 years of debates, the matter has made no progress in the minds of their representatives and that, even today, at this late hour, consideration is given to the possibility of unloading on them the responsibility of the choice to be made.

Those people, Mr. Speaker, who have every reason to be sceptical, have been waiting a long time for a definite commitment on the part of one of the national parties with regard to a flag of their own. Our people had lost their faith, so that, even faced with a categorical Liberal promise, they were still in doubt.

Today, the commitment has been kept, and the government is accomplishing what it promised to do, by submitting the design of a distinctive flag to the approval of the house.

I do not doubt for a single moment that the majority of hon. members will accept this design. I shall even go farther and say that the people are no more in doubt, and that they anticipated this assent in many areas by adopting the suggested flag of their own accord, the theme of which had immediately been recognized as a symbol which had been their own for a long time. They look upon it as distinctive, and the people now feel freer, prouder, more united; their country has suddenly become a more concrete fact, so that the various problems it has to face somehow seem less difficult to solve.

Each supporter of the new flag finds a brother everywhere between those blue stripes evoking the encircling oceans. He also knows that a giant stride forward has been made towards fulfilment. A flag which is truly his own will give the displaced person of yesterday, who is still pushed around today, a concrete sense of belonging, of living in his own context. It identifies his historic destiny, determines his ideal, gives a meaning to his life, while restoring a past which had been lost in the fog of history deprived of purpose.

With that flag, Mr. Speaker, a Canadian knows what he is. The emblem will crystallize his aspirations, toward unity first of all and toward his distinctive and initial career afterwards. The flag will do that, because it will make a number of other things possible.

That is why we must be careful that scandal does not come from us, in this house. The scandal would be to let this debate slowly turn into a circus. I am confident that will not happen. We all want to give our country the fundamental emblems essential to any sovereign country.

The choice of a distinctive flag is an act of sovereignty and maturity. It must be a compromise acceptable to all men of good faith. The flag must not divide but unite.

For decades unity has been the main theme of our speeches. This is the minute of truth. There is no escape through evasion or secret agreements. We must take a clear stand, say yes or no, and we members of parliament, must assume the responsibility for the choice to be made.

As for me, I would not want to be too finicky. The argument which justified the cabinet's choice seems reasonable to me. The proposed flag is distinctive. It reflects our political and military tradition. It pleases the eye and fulfils the standards of heraldry. Therefore, I shall be proud to pass it on to my descendants.

I shall be proud of having had the privilege to play a part in taking my country out of the no man's land of an anonymous, impersonal and spiritless humanity. And I shall have found at the same time, in my heart and reason, grounds to believe again that Canada is a viable country that can achieve a distinctive and fully satisfying destiny on this American continent.

[*Text*]

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, I find myself in some difficulty in following such logical and eloquent addresses as those delivered by hon. members who

have preceded me. The speech delivered by the hon. member for Qu'Appelle (Mr. Hamilton) was logical and any person, even with legal training, would be proud of it. It impressed us. I think the addresses of all members on all sides of this house have impressed those who have been here. I am going to take neither the legal angle nor the constitutional angle in this debate. I go along with those who have referred to this as an emotional issue and feelings are running high. There are two sides in this house, and I think there are two sides in the country.

There are those who would accept anything, a maple leaf, a rabbit or anything, just to get rid of that cursed union jack we have been carrying on our flag. There are others, Mr. Speaker, who are just as anxious to retain that union jack, whether in one quarter of our flag or one eighth of our flag, just as long as it is there. I believe that both groups are sincere; both groups have arguments and this is the only forum in which those arguments can be presented. My only regret is that the government is trying to hurry this measure through the house. I was not surprised when some of those Afro-Asian nations, without a history, without a culture, without any background, which found themselves free, rushed to create symbols by which they would be recognized by their neighbours. Theirs was a case of necessity. Many of them probably took less than the nine day period of gestation that the Prime Minister (Mr. Pearson) took to create his flag out of the thousands and thousands of designs that had been submitted to the government since a committee considered the matter in 1944 and 1945.

Macdonald, Cartier and the other fathers of confederation created what they thought was a nation, and why Canada on its 97th birthday should be fighting over the symbol of nationhood is hard for many people to understand. It must be hard for our allies in NATO to understand why we are fighting over our national symbol. It no doubt will be hard for the member nations of the United Nations to understand, because since we entered the field of international politics we have given them the impression that we had a flag.

I am one of those who feel that we have had and still have a flag, and I intend to quote authorities to show that I am not the only one who feels that way. There are thousands, in fact millions, who feel as I do. I am not going to be so bold as to say that a majority of the Canadian people are behind the red ensign, but I have just as much right to express my view as those who want a distinctive flag with three leaves or one leaf, or what have you. I have just as much right to express my view as they do. I am going to quote other authorities who think as I do.

Since I entered the House of Commons in 1957 I have expressed my support for the red ensign and have given reasons. Others, too, have reasons. My first quotation is taken from the Winnipeg *Tribune,* a prominent daily newspaper in Winnipeg. On December 9, 1963 the *Tribune* had an editorial headed, "Leave Our Flag Alone" in which they had this to say:

> We already have one. The red ensign under which Canada has lived in peace and war for three score and ten years is as distinctly Canadian as a flag could be.

Mr. Grégoire: No.

Mr. Mandziuk: I am only quoting authorities and the hon. member can do likewise when his turn comes.

The impatience of the Prime Minister to ram this new flag down the throats of Canadians received this reaction from Bruce West. Writing in the *Globe and Mail* of June 16, 1964 under the headline "Unhealthy Affair" he had this to say:

> I believe that the impatient efforts of many to discard a banner which symbolizes almost a century of our history may be a symptom of something gravely unhealthy in the affairs of Canada.

I also wish to refer to an open letter to the Prime Minister from six prominent Canadian citizens of Winnipeg. Most of them are of ethnic origin, one of them being Salome Holderson, a former member of the legislature of Manitoba and a prominent pedagogue. Among other things these six prominent citizens had this to say to the Prime Minister:

> No other country flies the red ensign and it has become known all over the world for half a century as Canada's distinctive flag.

That is another witness I bring forward to support my contention. Let us go further. A distinguished Canadian writer, Dr. Eugene Forsey, had this to say in a letter to the Ottawa *Journal* of June 13 last:

> Everything human, every vestige of our history, everything distinctly Canadian, except a piece of vegetation, has been carefully excluded.

In the same letter he also says:

> This government proposes a flag which contains not the slightest reference to any culture whatever, even agriculture.

One is led to ask: Why the hurry? We can surmise that the proponents or champions of the new flag either have no case, cannot make

out a case and therefore would like to bridle discussion and put it through as fast as they can or else they are so sure of their grounds that they are certain the Canadian people will accept the new flag. Time alone will show. I am trying to be reasonable and look at both sides.

The Amherst *Daily News* of December 29, 1961 contains a report of an interview with the Prime Minister of Canada who was at that time leader of the opposition. He was asked certain questions. I quote:

> Question: You say the Liberals are working on a design?
>
> Answer: Oh, there are hundreds of designs, but it would be the responsibility of the government to make up its mind which design it would submit to parliament.
>
> Question: How would you poll the people on this?
>
> Answer: We would poll the people when we have a general election, and if they did not like the idea of a distinctive Canadian flag which cannot be mistaken for that of any other country, they will let us know in no uncertain terms.

That was a pledge made by the leader of the Liberal party who was then hoping to attain victory in an election. He has attained victory. Where is the pledge to poll the Canadian people? Has he forgotten it? In the 1962 and 1963 election campaigns both he and all Liberal candidates made the same pledge when the question came up, that they would give Canada a distinctive Canadian flag.

An hon. Member: Diefenbaker too.

Mr. Mandziuk: Certainly we did, but not the type of flag you are suggesting. But at no time, Mr. Speaker, have I heard it said, or read in any newspaper that the Prime Minister and the Liberal candidates told the Canadian people that when he produced this new distinctive Canadian flag the union jack would be completely eliminated. I should like to know where and when any such promise was made. They did not dare say to the Canadian people that they would eliminate the union jack. That is the reason they kept silent. They just talked about a distinctive Canadian flag. The Canadian people understood they had a distinctive Canadian flag, the red ensign, which had a quasi-legal status, and they interpreted the Liberal promises to mean that if the Liberals ever came into power they would give this distinctive Canadian flag, the red ensign, full and complete legal status in Canada. That is the way the Canadian people interpreted their promises.

Mr. Grégoire: No.

Mr. Mandziuk: I believe that the red ensign has been slandered and libelled in accordance with the same philosophy that Hitler had, that if you keep repeating a lie often enough there will be some people in the country who will eventually accept it as the truth. That is the case about the red ensign. There are two arguments I have heard against it, and I may repeat them. The first is that it is a foreign flag, a British marine flag. The second is that it is not distinctive enough and is not worthy of adoption because it could be mistaken as the flag of some other country.

Some hon. Members: Hear, hear.

Mr. Mandziuk: I am glad hon. gentlemen applaud. I want the truth from those who know, those who are the experts here, old politicians and young politicians. I want them to tell me, under what circumstances has the red ensign ever been mistaken as other than the flag of Canada on the field of battle—

Mr. Grégoire: Ask Pigeon.

Mr. Mandziuk: —in international politics, at the United Nations, at NATO, or anywhere here in Canada?

Mr. Dupuis: Pigeon will answer you.

Mr. Mandziuk: I do not mind interruptions but I do not like interrupting other people myself. I hope hon. members will give me a chance to speak.

Mr. Grégoire: You asked the question.

Mr. Mandziuk: Can somebody show me where there was an instance in history during the past 50 years when Canadians, whether on the battlefields of France, Africa or Asia were mistaken as some other force than Canadians? Canadians covered themselves with glory under this flag during the last two world wars.

We do not know the views of the majority of Canadians. Let us poll them; let us find out whether there is a majority in favour of a new flag. But I can assure the house that there are a lot of Canadians who feel the red ensign is their flag, the flag which Canadians have dyed an even deeper red in the bloodshed of battle.

The Winnipeg *Tribune* in an editorial on December 9, 1963 said:

> It has flown over decades of national joys and sorrows, triumphs and disappointments. It has become Canada's flag and a glowing part of Canada's heritage.

Is that a true statement? By opposing the amendment proposed by the Leader of the

Opposition, the government and those supporting it are denying the Canadian people the right to be asked their views, as was promised by the leader of the Liberal party during an interview at Amherst in 1961, an interview which I have already quoted. If election promises are made to be broken, then the highways and byways of Canada are strewn with political promises broken by the Liberal party. This is just one more of them.

Like a bolt from the blue, like an atom bomb, this flag has been placed before the people of Canada. It took nine days to draft it. It was a hurried job and now the people are confronted with it. What is their reaction?

Mr. Grégoire: I will tell you it is a nice reaction.

Mr. Mandziuk: Hon. members of this house have received protests from many people, both by letter, telegram and phone call. Whenever we meet with members of the public they express their views vigorously. At the Winnipeg convention the Royal Canadian Legion in no uncertain terms gave the Prime Minister an indication of its attitude towards anything but the red ensign. It is unfortunate that their behaviour was not too polite but, Mr. Speaker, that was the only means they had of showing their displeasure with the high-handed attitude of the government.

Mr. Grégoire: The Legion in my area is for a new flag.

Mr. Mandziuk: Mr. Speaker, the Canadian Legionnaires had only this method of showing what they wanted. The majority of them want the red ensign. They fought under that flag and it is for them, more than for anyone else in the country, that we owe the freedoms we enjoy today. Is their voice to be ignored? Are they to be derided, laughed and sneered at? That is the impression I am getting from some hon. gentlemen in this house. How can the government of Canada ignore the stand taken by these people?

I have here a petition from the Royal Canadian Legion in Russell in my own constituency, signed by 500 people. This is from Legion branch No. 159 in Russell, sent in by Mr. Loney, and the Canadians who sign it ask that the red ensign be retained. I know the Prime Minister tries to hide behind an alibi that it is the ethnic groups, who have asked for a distinctive Canadian flag. An hon. gentleman on the other side offered the opinion that it was these people who are just dying to get a new flag but, Mr. Speaker, if you had time to read the names on this petition you would find it includes the names of all nationalities living in Canada. I shall just read two or three of them. First, there is Thomas Jackson, and that is definitely an Anglo-Saxon name; but next to him is Lorne Todoruk, and that is a Ukrainian name. Then there is a A. J. Mushumanski. This gentleman is of Polish origin and I know him personally. He signed this petition in favour of the red ensign. Then we have R. S. Clement, which is definitely an Anglo-Saxon name, and then Marshall Johnson. Then we have S. M. Siwak, which is a Ukrainian name.

I know the boys who signed this; and so I ask, why try to produce a smokescreen saying it is the ethnic groups who want a new flag. I would like to know what groups, what organizations and what parts of Canada are pushing the government into this step. I may add that I intend to file this petition with the Clerk, according to the procedure which the Chair outlined to the hon. member for Kootenay West (Mr. Herridge).

I also received a resolution from the Royal Canadian Legion branch No. 66, from Crandall, sent in by Mr. Barnes, and another from Legion branch No. 229, Basswood, sent in by Mr. Graham, and a resolution from branch No. 40 Rossburn, sent in by Ed. Harris and Elmer Brown; and a resolution sent by wire from Legion branch No. 8, Virden, sent in by Mr. Nugent, asked that a plebiscite be held on this question.

Is this government the almighty Caesar? Caesar said "Veni, vidi, vici". I say to the government you "venied" and you "vidied" but it will be a long time before you "vici", before you conquer the opinions of the Canadian people. These men of the Canadian Legion are the men who fought for Canada, who figured Canada was worth fighting for.

I want to tell you this, Mr. Speaker. There is a section of the Royal Canadian Legion called the Ukrainian Royal Canadian Legion section. It has eight branches in Canada, with one branch in Winnipeg over 1,000 strong. It held a separate convention at the same time as the Royal Canadian Legion in Winnipeg, and it passed a unanimous resolution in support of the red ensign. They are what you call ethnic people, Ukrainian people, and most of them were volunteers for Canada.

What about the hundreds of other branches of the Legion? I know perfectly well that the supporters of the Liberal party, the hon. members sitting on the government side, have been receiving these protests. I just wonder

how they are answering them. I just wonder how they are going to face these men, what they will tell them when they have deprived them of the opportunity of deciding what Canada should have as its flag. This is evidence I am presenting to the house. I am not relying on my personal feelings.

Everyone is familiar with I.O.D.E., a women's organization which has 29,000 members across Canada. They met at Fredericton a couple of weeks ago and they sent a telegram to the Prime Minister. I wonder what the right hon. gentleman had to say in reply. This is how it read:

> We deplore that in this democratic country our government would deprive individual citizens of the right to vote on an issue as vital as the Canadian flag.

Is the government so almighty, is the government so secure, that it intends to ignore this telegram? I go further. I think the Prime Minister or his staff would agree that they have also received a protest from an organization known as the Grand Orange lodge of British America. I am not an Orangeman; I do not agree with some of their views. But this is an organization you cannot sneeze at; you cannot ignore them when they have a membership in 250,000 homes across Canada. What did they ask? In the petition they sent to the Prime Minister they say they support the Canadian Legion on this issue in toto. In other words, they support the Legion's stand on this issue completely. They also say, in their petition:

> Be it further resolved that we hereby petition the government to cease further legislation on the flag question until and except the people of Canada by referendum indicate their wishes accordingly.

Some hon. gentlemen look only through the narrow windows of their own constituencies. Because in their own constituencies there is a majority which wants this particular flag, or some other flag, they think the majority of the Canadian people want it. I cannot say that. Nor can any member of this house say with authority or proof that the majority of the Canadian people want either one flag or another.

I have here from the *Tribune* an article called Viewpoint written by a prominent barrister Mr. Roy St. George Stubbs. He is not a Conservative. I honestly believe he is a supporter of the party which now forms the government. I do not know. I know he is not a Tory, so I cannot be accused of putting forward the opinions of Tories. He is talking about a book written in 1908, and dealing with the Ewart prophesy. I have not time to go into detail, but the article says:

> Time has not justified Ewart's prophesy. Were he alive today what would he say about the current proposal to throw 100 years of tradition into the dustbin of history? Can a doubtful gain in national solidarity balance the certain loss in national sentiment?

These are opinions. What about the letters we have all received? I have received them and I know other members have received them in large numbers. The Prime Minister has claimed, it is reported in the press, that he has received thousands and that most of them are in favour of the new design. But I have information that the Leader of the Opposition has received thousands of letters, too, and that most of those are against the new flag. I am glad we are to have a little time to spend on this debate. I hope the Prime Minister will take time to analyse these letters and let us know from what sections of the country they come. Do they all come from one area? I should also like to know from what sections of the country came the letters written to the Leader of the Opposition. We are entitled to know these things and express our opinions.

Bruce West, writing in the *Globe and Mail* of June 15, called this "an unhealthy affair". Is he correct? He feels, like many Canadians, that impatient efforts to discard the red ensign may be the symbol of an unhealthy state of affairs in Canada and that the day this ensign is discarded some very important threads will be removed from the fabric of this country. He, like so many of us, is afraid that other things which make up what we are will also be discarded. What will be the next to be discarded? Who can say that in five or six years there will not be a movement in Canada to discard this new symbol, too, and put something else in its place. As has been stated even by members on the other side with regard to the red ensign, we have become accustomed to it. Flags do not create unity, said one writer in the *Globe and Mail,* it is unity which creates flags. Let us have unity first. Let us show we have a nation.

In closing I say this: If anything, the flag resolution before us creates disunity. It has led to argument all over the country. I was in my constituency about a week ago and I would hate to repeat some of the things which were said about the Prime Minister because he had proposed this new flag. I hate to read some of the letters which refer to the Prime Minister and in which the writers attempt

to say in not very polite terms what they think of him for proposing this new design. This is an important issue, but we are not to have a plebiscite. If members on the other side think they have a mandate, I should like to know from whom. If supporters of the government had told the Canadian people that the Canadian flag they intended to propose was going to eliminate the union jack then, I would say, they had a mandate. But who ever made that statement? Did the Prime Minister make it? Did any member of the Liberal cabinet make it? Did any of the others who are supporting this resolution, probably not through conviction—this resolution designed to get rid of the symbol we call the red ensign?

If this legislation is important, why rush it through? Why must the Prime Minister say we will not get a summer recess before we finish this debate? Everything else must stop but he intends to continue this debate. Does he wish to wear us out? If this is important legislation we should be given time to debate it. I should like to hear members opposite tell us who is backing them on this issue? Don't give us history about Sir John Macdonald. Don't read us something out of books 150 years old. Tell us what organizations are supporting you. I will listen carefully to the speeches hon. members opposite have to make on this subject and I know the Canadian people will be listening, too. I am giving the house evidence. I have referred to petitions. If all those organizations are added together they amount to more than a million people.

An hon. Member: How?

Mr. Mandziuk: Well, there are a quarter of a million Legion members. There are a quarter of a million Orangemen. Then there are the members of I.O.D.E. and the ethnic groups.

We want to know why there should be this rush. If the government has a good case for introducing this new symbol they need not be afraid of stepping out and telling the house and the country why. They need not be afraid of protracted debate. Are you taking it for granted just because the government think they can muster up a majority in the house, and knowing that the Canadian people, once an enactment passes the house—

Mr. Speaker: Order, please. Would the hon. member desist for a moment.

[Mr. Mandziuk.]

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1965.

An act to incorporate Evangeline Savings and Mortgage Company.

An act respecting the Montreal Board of Trade.

An act respecting the commission established to administer the Roosevelt Campbello International Park.

An act to incorporate Seicho-No-Ie.

An act respecting The Dominion of Canada General Insurance Company.

An act respecting The Casualty Company of Canada.

An act to amend the Export Credits Insurance Act.

BUSINESS OF THE HOUSE

Mr. Speaker: It is my duty, pursuant to provisional standing order 39A to inform the house that the question to be raised at ten o'clock this evening is as follows:

The hon. member for Kootenay West (Mr. Herridge), Post Office Department, Trail, B.C., request for investigation into overtime mail delivery.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed consideration of the motion of Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty King George V on November 21, 1921—three maple leaves conjoined on one stem—in the colours red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And of the proposed amendment thereto of Mr. Diefenbaker.

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, there is some difficulty in resuming an interrupted speech, with eight or nine minutes more to go, in getting back into high gear and into the same mood. I could have completed my remarks in that time because I had only one other point to bring to the attention of the house, namely that the government must be uncertain whether the new flag with the three maple leaves represents truly just what we are, because there is another resolution on the order paper for the adoption of a second flag, namely the union jack. I am not against the union jack. I am in favour of it because the union jack is the flag of the United Kingdom and, I might add, not a flag established under any statute. It has become the flag of the United Kingdom by usage or custom and it is dear to that nation of the commonwealth. Whether the government is trying to borrow it or steal it I am unable to understand.

Let me point out that the union jack is the flag of the land of origin of a lot of people in this nation, while the red ensign is the flag that we are accustomed to. It has flown amongst us, it is a part of our heritage and it has on it the Canadian coat of arms. If parliament were to go so far as to adopt two flags I can well envisage that either one or the other might be flown in different parts of Canada. Just imagine the impression that would make on foreigners visiting this country if they saw one flag flown in one part of Canada and another flag flown in another part of Canada. Would they not come to the conclusion that we are a divided nation, that we are not one Canada but two Canadas or two nations? If that is what the government has in mind they might as well spell it out.

At the beginning of my speech I said that my views on this matter are known to all. I come from the old school, Mr. Speaker. I can still sing: There'll always be an England as long as Scotland stands. I can still sing: In days of yore from Britain's shore, and so on and so forth. But I am prepared to go along with the times, and if there are changes that we must make on the flag that is dear to many Canadians I for one would be prepared to make those changes, add something to the red ensign to give some indication of our second founding race and thus satisfy all in that way. But let us retain our heritage. Let us retain the symbols of the past.

Everyone, Mr. Speaker, whether a lawyer by profession or an ordinary individual, at one time or another has been in court and anyone who is a plaintiff or appellant must make out a case. In this instance the government is the appellant. The Prime Minister (Mr. Pearson) is the main spokesman for those who appeal for a new distinctive flag. They must make out a case. Pointing to history or heraldic symbols is not going to satisfy Canadians. As I said before the dinner recess, the government must show that they have a mandate. They must show who are behind the new flag. They must show the reasons for it.

We are the respondents, Mr. Speaker, and as one of the respondents or defendants I have called witnesses. My witnesses have been the Legion, the I.O.D.E., the Orangemen, the ethnic groups and many others. I challenge the government to produce its witnesses. I challenge the government to submit this resolution to a special committee of the house and give people who have various ideas for or against the red ensign or the new flag the opportunity to make out a case. I feel that so far no member of the government, no supporter of the new design, has made out a case for the new flag.

I know that some eastern newspapers have been very critical of my stand with regard to the flag. But I want to say to all concerned that I, and those others of my race, were invited to come to this country. We came of our own free will. We came here not to ruin that which was built by the founding races but to continue the building of that great structure, one great Canada. We came here to put our shoulders together with the shoulders of the French and the British, and shoulder to shoulder to march forward to a unity of one Canada, not two Canadas, three Canadas or anything else.

We are just as proud of our heritage and love our language just as much as English or French Canadians love theirs, but at the same time we are prepared to give that which is necessary to make up one great Canadian nation such as was envisaged by the fathers of confederation.

I as a Ukrainian am proud of the fact that this year the Ukrainians in Canada and the United States, as you may have seen on television last week, unveiled another monument to Taras Shevchenko the freedom fighter of the Ukrainian race. We are proud of this man who gave so much in the cause of freedom. We are proud to celebrate the 150th anniversary of his birth. He fought for the freedom of all people, for the freedom of all

Ukrainians. We are hurt that 40 million of our people are still behind the iron curtain but I, and those like me, are giving what we can here in Canada. We are passing this on to our children and we know that our children's children will do likewise.

I appeal for unity, but at the same time there is no use appealing for unity and not doing anything about it. We are happy to live in this nation. Let us make it great. If anyone has created a disturbance, if anyone has given rise to the emotional struggle that is going on in Canada today, it is the right hon. Prime Minister. If he thinks this flag is necessary above all, then he will be the one who will suffer the consequences when the people of Canada have a chance to make their wishes known.

BUSINESS OF THE HOUSE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I would like to ask unanimous consent to revert to motions to make a statement on the business of the house.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Pearson: Mr. Speaker, it may be helpful if I review future business for the house as it appears to be after the meetings of the house leaders of the various parties yesterday and today. Those meetings did not accomplish everything that it was hoped they might do, but they were friendly and constructive meetings. I believe some progress was made, and I hope that progress is a happy augury for future progress. But as there was no agreement at this stage, at least on the order of business for July, I think it would be wise if I put the program of the government to the house in this way, especially as this might correct some inaccurate reports which have been circulating as to what the government might propose.

I would first, Mr. Speaker, like to remind the house that a detailed statement on business was laid before this chamber on June 3, nearly a month ago, and since that time we have been following the priorities given to parliament at that time. The first four items on that priority list of June 3 have now been dealt with: (1) the approval of the Columbia treaty; (2) the national housing legislation; (3) the farm credit extension bill and (4) the constitutional amendment to provide for supplementary benefits in our pension legislation.

Since that statement of June 3 we have introduced into the house a resolution which the house is now considering, the flag resolution. We interrupted that resolution, as on June 3 we told the house we might have to do, in order to secure agreement on the constitutional amendment which I have mentioned, and to ask for interim supply. These two items have now been completed.

The government has been urged to postpone the flag resolution, as it is obstructing other legislation and as it is, as we all admit, a measure which is controversial and arouses deep and genuine emotions. So far as obstructing other legislation is concerned, I think it is quite clear that there never will be a time when this flag issue, which is an issue of vital national importance, will not be controversial and will not interfere with other legislative proposals to which some hon. members would, for various reasons, wish to give priority over it. So, whenever this resolution would be introduced in the house there would be that difficulty.

Therefore the government feels that the flag issue should be proceeded with. It is our hope that, with three days debate having already taken place, the house might be in a position to make at least a decision on the amendment to the resolution by the end of this week. However I am not urging here any limit of any kind to a discussion of a matter of such importance. On the other hand, we do not wish a prolonged debate on this issue to postpone decisions on certain other matters which are ready for decision and which decision, I think, should be taken as early in July as possible, and at least certainly during the month of July, and the meetings that have been held and the consideration given to this matter have been influenced by the sincere desire to reconcile these two considerations.

In an effort to do that, I propose for the government the following program for action by the house before we take a summer recess. On Thursday we shall interrupt the flag resolution debate to introduce a resolution on the youth allowances bill, and I understand there has been unanimous consent among the house leaders that there should be no debate on that resolution and that it should go through. I appreciate that attitude. The bill would then be given first reading and circulated. Then on Thursday and Friday we would continue with the flag resolutions.

Then we propose that the national defence bill, which has already been given a great deal of attention, should be considered next Monday, July 6, and if the house comes to a decision on that bill we would proceed to

the consideration of the youth allowances bill and continue with that legislation until it is completed. Perhaps I can express the hope that that would not take too long, because we are all in agreement on the principle of that bill.

Then we would go from the youth allowances bill to the fiscal arrangements bill which is very important, indeed as important to the provinces as it is to us. It is a matter of some urgency that we give consideration to it. That bill will be followed by the bill for the 12 mile jurisdictional zone, which I would hope would not take too long as it has already been discussed in the house and in committee. The house would then, after the 12 mile zone bill, be asked to consider the student loans bill. I understand there is agreement that the resolution covering that measure would be passed without discussion too, so that the bill could be circulated. Then provision will be made during the first half of July for further interim supply since we asked for, and received, only one month's supply at our last request. Then I think at least two Fridays during the month of July should be devoted to estimates.

If this legislative program can be completed by July 22 or 23—I do not know whether it can be or not, but if it could be, and I would hope that perhaps it could be—we would have the rest of the month, that is seven or eight days more, to deal with the flag resolutions. In any event, when the matters I have mentioned are dealt with, we shall return to the flag resolutions and the debate on those resolutions would be continued until a decision is reached on them.

Some hon. Members: Oh, oh.

Mr. Pearson: We would not, however, ask the house before a summer recess to consider the resolution on the national anthem or the royal anthem.

It will be seen, Mr. Speaker, from the timetable I have suggested to the house, one which will no doubt be given further consideration by the house leaders, that it is not possible to predict with any certainty the date of a summer adjournment. I was asked to submit a target date. The target date I should like to submit is the end of July. If we meet that target date it would be our desire and, I think, the desire of all members of the house, for parliament to recess until the middle of September.

Hon. Gordon Churchill (Winnipeg South Centre): We have had an announcement by the Prime Minister with regard to the business of the house. I noticed that he indicated that the house has accomplished quite a lot during the month of June, as he listed the various items which he had spoken about on June 3 and which have already been passed. I noted that five items of legislation, most of which we have been asking the government to put forward, will be considered by the house next week and we think this is a sensible thing to do, because we believe the measures dealing with youth allowances and student loans in particular should have been brought up earlier than this.

As a party we are prepared to assist the government in passing these legislative items next week, and if the bills are carefully drawn and if, after subjecting them to careful scrutiny, they are found to be in order, I do not see any particular reason why there should be any great delay in passing those measures. If they are for the good of the country we will pass them. If there are items in any of these measures with which we are not in agreement we shall state our disagreement, as is our duty and obligation as an opposition.

I noted the Prime Minister said there would be two Fridays in July devoted to the consideration of the main estimates. I record a very strong objection to that limitation of time spent on main estimates. The main estimates constitute the spending program of the government and this spending program should be very carefully examined by the House of Commons. In sessions in the past it was normal for main estimates to be considered on Thursdays and Fridays of each week. That has not been the case this session and the main estimates are going to be piled up until the close of the session some time in the fall. I think that is not a good arrangement. I certainly would like to enter a very strong objection to the failure to deal with main estimates. This spending program of the government requires the same type of examination as the tax program of the government set out in the budget.

The Prime Minister went on to say that after the completion of the legislative items he mentioned we would consider interim supply, and if that were passed by July 22 or 23 we would have seven or eight days left for the flag debate. He then came to the crux of the matter. He said that the session would continue—he was referring to the flag resolutions—"until a decision is reached on them". That is very definite. That tells us exactly the position we are in. To speak of a target date of July 31 can be quite

meaningless unless the opposition bows to the will of the government because, in effect, the Prime Minister is saying: You will get a summer recess only when you have reached a decision with regard to the flag.

So we know now exactly what our position is. It is quite clear that no summer recess was envisaged by the Prime Minister unless the opposition abdicated its position in this house. We are rather pleased that the situation has now been so clearly stated and that we know exactly what was in the Prime Minister's mind when the motion was put forward the other day to extend the hours of sitting. The situation is simply this, Mr. Speaker: As the official opposition we are prepared to co-operate to the fullest extent on this matter of legislation which has been brought to our attention and pass it without unusual delay, subject as I said to careful scrutiny. Having done that, then to have a club held over our heads—and this is what it amounts to—by the statement "no end to this particular session until a decision on the flag is reached", is a somewhat unusual position for a government to take. But now we know clearly the government's stand, and there will be no misunderstanding in this house as to the intention of the government because it has been clearly set before us: no summer recess unless the opposition bows to the government with regard to the flag.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we welcome the action of the Prime Minister in making this statement to the house as to the intention of the government with respect to business for the next few weeks. I think it is also fair to say that, now we have had a couple of meetings of the house leaders, it is well to have the results of our negotiations up to this point out in the open.

I want to say that we appreciate the position the government has taken in altering to some extent its stand of last week by agreeing to interrupt the debate on the flag to deal with these five or six important items. We think this is the position the government should have taken all along. At any rate, we commend the government for now having taken this position and we feel, as do members of other parties in the house, that perhaps we could best show our appreciation by expediting the passing of these five or six items when they come before us. The Prime Minister is perfectly correct in stating that the spokesmen for all parties agreed that there need be no debate whatsoever at the resolution stage of the youth allowance measure or on the resolution stage of the student loans legislation. I think there is also a disposition on the part of the house leaders to look at the other measures when we have the actual bills before us to ascertain whether there are steps we could take to shorten debate on these measures at various stages. I do think it does not hurt to take a moment or two to emphasize that we have made progress in the meetings which we had yesterday and today.

Before leaving this phase of my brief remarks may I say I have something in common with my hon. friend from Winnipeg South Centre (Mr. Churchill). I too have a protest which I want to lodge. It is not the same protest but it is one which I lodge even more vigorously than the one he has stated. I protest on behalf of the members of this party at the fact that the Canada pension plan is not included in the items to be dealt with before we return to the flag debate. It was always our understanding that the Canada pension plan debate could not be concluded in what might be called the first part of the session, but we understood that serious efforts would be made to get it past second reading and referred to the special committee which is to study the measure.

I want to say that I regard this further delay with respect to the Canada pension plan as ominous. All the members of the house are aware of the delays which have already taken place with respect to this matter since this parliament began. Each time the Canada pension plan has been proposed we have been assured that we were going through with it, but always there is a delay. I can now see that when we are meeting this fall trying to wind up the business before Christmas or whenever this session ends we will have some more of these bargaining sessions. Matters like redistribution, the Canada pension plan, the railway legislation and other matters will be before us and we will go through the same business that we have been through scores of times. We will have to agree that something has to be dropped. Again, my fear is that it will be the Canada pension plan which will be put aside; and if this goes on many more times there is no stating what might happen. I am delighted to see the Prime Minister (Mr. Pearson) shaking his head from right to left; I hope it was in response to what I have just said. I would remind him that the same kind of assurance has been given before, but at any rate for the moment, like the hon. member for Winnipeg South Centre, I register

my protest that the Canada pension plan is not included among the items to be dealt with before we return to the debate on the flag.

Now, with respect to these five items on which we have reached agreement at the meetings of the house leaders, I should like to say that I think the suggested date of July 23 is a little too far off. I think we can do these five items several days ahead of July 23. Let us just look at them. There is the national defence bill which we almost finished last night. Surely another few hours will dispose of it. With regard to the youth allowance measure which extends family allowances to 16 and 17 year olds, we all agree with it and surely that should not take very long. The federal-provincial fiscal relations and arrangements legislation might take a little time; we will not know how long until we see the bill, but even so it should not take very long. The student loans legislation ought to go through as quick as a flash. The 12 mile fishing zone legislation is still before the committee on marine and fisheries, but if the committee reaches agreement on the terms of the bill it should not take very long in the house. So with respect to those five items—I have named them all but interim supply—I do not think it would be unreasonable to suggest they could be done in a week, leaving a few days if we need them for interim supply.

We all know the facts of life, and we all know when we get to interim supply that the length of time spent will depend on the strategy of the various parties in the house; it will depend on what might have happened in the meantime. All sorts of things can take place. But I am taking these few moments deliberately to emphasize the extent to which we reached agreement at the meetings of the house leaders. We have agreed that these five items of legislation are important, that we are satisfied with them subject to seeing the details of some of the legislation, and that we can get them through quickly.

The point I wish to make in setting this phase of our work off against the debate on the flag is this. I urge that we leave until we have got through the first five pieces of legislation any argument, discussion, dogfight or what-have-you over time to be spent discussing the flag. I think it would be good for parliament to have the accomplishment of passing five or six pieces of legislation in a week or so, and when that is done to continue to hold our meetings of house leaders when perhaps we can resolve what may be an impasse when the time comes. But let that anticipated impasse not interfere with our doing an effective piece of work now. I am not denying the fact that the impasse will be there when we reach it. The government is saying that it wants the flag resolution put through before there is a recess. The official opposition regards that as a club. We feel that there should be a recess, not because we want a holiday but because we think it would be good for parliament if we saw a little less of each other for a couple of weeks and came back here fresh. We think that we would do better service in this way to the people of Canada. But I suggest that this whole question of trying to resolve this impasse over the flag should not be one which is allowed to impede our work on student loans or on youth allowances or on these other pieces of legislation. Let us deal with them on their merits; let us do a good job; and maybe the practice of getting some pieces of legislation through in short order will have a contagious effect and we will go on doing it.

I have been delighted, Mr. Speaker, despite any differences which we have had, with the progress achieved at our meetings yesterday and today. I think it has been unfortunate that there have been reports about these meetings which were not entirely accurate. Therefore it was a good idea for the Prime Minister to make the statement he did tonight, and if we can emphasize the measure of agreement which we achieve and face up to the fact that the people of Canada want us to get some work done, I think we can move along. Therefore my plea is that we get along with these five pieces of legislation which are agreed upon and then see if we cannot go on and keep up the good work.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I intend to be very brief. I should like to suggest that in making his statement I think the Prime Minister (Mr. Pearson) minimized the results of the meetings which were held between the house leaders. I do not think that was intentional, but I do believe that we made a little greater progress than was indicated in the statement he made. I felt that there were very worth-while results and I think we are encouraged to keep working at the job of trying to expedite the business of the house. However, we do appreciate the statement the Prime Minister has made tonight to clarify the situation as far as the government is concerned.

Thinking back over these past weeks since the session started, I do not think we have anything to brag about as far as conducting the business of the nation is concerned. In

spite of the fact that there has been a number of items passed I think we could have done a good deal more than we have done up to the present time. We also appreciate the fact that the government has moved to a certain degree as far as the controversial flag resolution is concerned and is providing an opportunity for the dispatch of a number of other items which are of vital interest to the country.

I am not going to enumerate them again because they have been enumerated several times tonight. As far as we are concerned, we feel it is a good thing that we give our attention specifically to these matters of business that are of vital concern and have some degree of urgency in them, so that those affected will be able to plan for future days. As I have said, we intend to give our complete support to the passage of these particular measures.

I just wish to say, however, that I am disappointed in the position the government is still taking—and the Prime Minister indicated this tonight—as far as the resolutions on the flag are concerned. We felt that with the passage of a number of other items, this was one that was not of such tremendous urgency that it would be used to decide whether or not there was going to be a recess of parliament for the summer. However, this has been made abundantly clear tonight, and the question that is in our minds is this: What is going to happen if and when an irresistible force meets an immovable object? Possibly we will have to wait until that time comes to see just what does happen. But I do think it is unfortunate that this adamant position is being maintained in the face of the present situation. I am not going to debate it now, because the debate on the flag is under way and we will have an opportunity then. As I have said, we want to get ahead with the business of the nation, and we will face these things as and when the situation arises.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I have only a few words to say on behalf of our group about the statement made by the Prime Minister (Mr. Pearson). We are quite satisfied with the order of business he announced, particularly as regard the family allowances legislation and student allowances.

People had already asked us for information on those allowances, but we reserved our answers, hoping from week to week that the government might bring forward a bill so that next year students would know where they stood. We are quite happy to learn that the discussion on that bill will begin this week.

We earnestly call for the support of all opposition parties so that this work can be completed within two days. In fact, most of us agree on those pieces of legislation.

It is said that most hon. members do not even wish to discuss those measures, but are ready to simply pass them.

However, there may still be some objections. I think they will result in an extension of debates, rather than an attack against the principle of those measures and this, in order to postpone that much longer resumption of the discussion on the flag issue.

We commend the government for having made concessions and we also praise the leaders who attended the meeting and who made use of all their talents and their goodwill to reach an agreement.

When all that urgent legislation has been passed, let us get on with the flag debate and settle the question once and for all.

We have been discussing this issue for 40 years and it is high time we are done with it. Let each member vote according to his own feelings so that the people of Canada may see that their parliament still has some sense of responsibility and that it no longer spends its time in futile discussions, as it did last week when members acted like 10-year olds.

Let us discuss each piece of legislation and then take the vote. Let us stop arguing for nothing and let us take the vote. Let us get on with our program so that we may finally examine the flag resolution.

Here I want to congratulate the Prime Minister for his steadfastness. To some people, this is the sword of Damocles or cloture, the French word for fence. But a fence along a road is a guide line, not a prison. What the Prime Minister gave this evening was an indication, a firm invitation.

I hope the official opposition will not hold up indefinitely the business of the house. It often resorts to systematic obstruction which I find unacceptable in parliamentary procedure and which should not exist. When everybody has expressed his views, let us vote once and for all. Those who favour the adoption of a distinctive flag will vote for it, and the question will be settled. If the distinctive flag is rejected by the majority of members, that will be just too bad. It does not matter, the majority will decide, because in democratic countries it is still up to the majority to decide.

I congratulate the government about the decision it has just taken and I can assure it of our full support both as regards this attitude and the adoption of the flag.

[*Text*]

Mr. Deputy Speaker: Order. The house will now resume the business that was interrupted by reverting to motions.

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed consideration of the motion of Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty King George V on November 21, 1921—three maple leaves conjoined on one stem—in the colours red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And of the proposed amendment thereto of Mr. Diefenbaker.

Mr. Richard Cashin (St. John's West): Mr. Speaker, the suggestion has been made during the course of this debate outside of the house itself that the course of action being advocated in the matter of national symbols represents our doing something new and rejecting something that is old. I do not subscribe to this interpretation of this course of action. The government, it seems to me, is asking that this parliament proclaim as the national flag a distinctive Canadian symbol that has in one form or another existed in this country for 100 years or so and has in fact been part of our heritage. In the same subject matter of national symbols we are also being asked to give recognition to those symbols of the commonwealth and our monarchical ties. We are, as it were, being asked to decide formally and once and for all that we recognize in this particular way Canada's status as an independent nation, but an independent nation within the British commonwealth.

Canada has become such a nation over the years, not by revolution, not by sudden change or sudden means but by a gradual, an evolutionary process. At each stage of this evolutionary development voices of resistance have raised themselves because it was feared that Canada was breaking its ties with the mother country and moving in a direction inconsistent with that of a former British possession. In actual fact I submit that the opposite is the case. This evolutionary development of ours toward nationhood was in fact, and is, done in a most British way. We might say that as a nation we have approached the problems of our nationhood more British than the British themselves. In all times and in all examples we have followed, as it were, due process of law. Great national debate preceded all these formal changes. I will not list them but I know they are familiar to all members. As these changes were wrought in Canada's march to nationhood, debate was the order of the day and the great forum for these debates was here in parliament, this parliament modelled after the mother of parliaments. The fathers of confederation, it seems to me, had as their goal a united and a strong nation on this North American continent, but a nation that would be governed according to those institutions, customs and traditions which were British, largely, in origin; a nation that would be monarchical rather than republican—but a nation, nevertheless, independent and united.

Were we not so cognizant of these British uses and traditions, perhaps we would have followed a different course on the road toward nationhood. Perhaps we would have attempted to settle our problems in what, to me, would have seemed to be a logical, clear cut way, but would have, in fact, represented our approach to these things in one fell swoop. In so doing, we would not be approaching them in the British way and in a way that would have been in keeping with our traditions; we would not be in keeping with our past.

We have moved into the future, not in bold steps that might have threatened our affection for the past, but instead we have moved slowly in a way characteristic, perhaps, of this nation; in compromise, in a pragmatic way. In doing so, in adopting compromise and pragmatism, we have paid a great tribute to the country to which so many of us owe so much. This pragmatism of which I speak is so much a part of our heritage; it is one of the gifts that England has given us. Not all or even a majority of the Canadian people today are of British origin, yet all Canada notes with pride the customs and traditions that are tied to this association. There is our system of government, parliamentary democracy, rather than republicanism. This is something which sets us apart from our neighbour to the south. It is something which is revered by all Canadians. It consists of something British and also something Canadian.

A few moments ago I referred to the existing Canadian personality as pragmatic, and compared it to being something British, because this is almost Britain's stock in trade in dealing with her own problems and world problems. Today we are asked to take one more step—true it is only a formal step—on the road to true and complete national sovereignty in form as well as in fact. I think that we should be asked to do this in a way most consistent with our Canadian heritage and tradition. We are now asked to declare a distinctive Canadian flag, not something new that is the design or the whim of some patriot. We are asked to declare as the flag of Canada a symbol which, as I suggested earlier, has been with us for 100 years or more. It is, you might say, in that sense a flag that is both old and new. We are being asked also for the first time to give recognition to certain commonwealth symbols which will be discussed, I presume at another time.

The suggestion has been made we should approach this problem of our national symbols in another way. The suggestion has been made that a plebiscite should be taken. If we are to follow that course of action we would be flying in the face of British parliamentary democracy. I am unaltered in my opposition to a government shirking its responsibilities and turning to republican innuendos in the form of government plebiscite. The mother of parliaments, in its wisdom throughout the years, has not seen fit to so degrade itself. However, I regret to say this parliament has not adopted at all times a similarly wise course.

However, as somebody has suggested, perhaps that was before Newfoundland entered confederation. While I am on that subject of Newfoundland and confederation for a moment, I was reminded before I got to my feet that almost 200 years ago, when Canada was in great peril, a little band of Newfoundlanders came up to Quebec and helped to turn back the Americans. Fifteen years ago Newfoundland was taken into Canada to help with her glorious future. We decided at that time we should insure that future, once and for all, so that we would not have to run back and forth.

After that slight diversion, I might say that deciding this matter of national symbols through debate in this House of Commons is the British way. It is consistent with our traditions. I am grateful, and I congratulate the government for not giving in to the temptation that we do something foreign to our traditions and adopt a republican course of action. I should like to congratulate all members who have taken part in this debate, particularly the hon. member for Leeds (Mr. Matheson). I believe he showed a true understanding of tradition, at least in the context of the realities of our present age. I think he showed the example of the beauty and virtue of tradition which does not, of itself, become our mistress but gives us a guide line for future action. I wish more people could have been in the house at that time to hear a very worthy address.

[Mr. Cashin.]

The province, part of which I have had the privilege of representing for some year or so in this house, is new to the sovereign nation of Canada. Our ties with Britain have been similar, but perhaps somewhat closer than those of Canada. I feel sure that Newfoundlanders who, some 15 years ago after considerably heated debate decided to tie their destiny with that of Canada, realized they would be called upon to make contributions to the future of this country. It seems to me, as a Newfoundlander and, in a sense a new Canadian, it would be a more important thing for Canada to produce truly distinctive symbols of its own, yet at the same time, in the truly Canadian tradition, retain those things of our past for which we have so much genuine affection and loyalty. The course of action in this regard followed by this government, I think is one that will be hailed in years to come as being the course of action advocated by neither one side nor the other, but one truly consistent with our traditions and our heritage; a course of action that will, I think, serve well the purpose of national unity.

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, there was a time when I thought there would not be very much discussion on the resolution before us at the moment. Now, however, I find that there has been much said and we probably can look forward to much more being said. In addition to that, a great deal of time of this house will be taken. The reason for this, I think, is apparent from the resolution itself which was brought before this house by the Prime Minister (Mr. Pearson). It refers to the fact that the government be authorized to take such steps as are necessary. The government should be authorized by whom? This is the question, not only in my mind, not only in the minds of many others in this house, but in the minds of many people across this country. I intend to deal with that later.

These are the questions being asked, Mr. Speaker. Why is this necessary? We in this

house, indeed the people of Canada, were led to believe or my impression was that we were led to believe this question would not be that the government be authorized, but that parliament would have a free vote. I realize, Mr. Speaker, that many people are not aware what is involved in a free vote. When they hear the words "free vote" they take them literally as meaning that the members of the House of Commons and the other place may vote in the way their consciences direct, particularly in the case of an issue of conscience, an emotional issue, as the flag resolution has been described so many times. It is an issue of the type on which one could very well expect to have a free vote.

There are many reasons why this should be so, and with the indulgence of the house I shall bring some of them forward later. Why should I, not having any intention previously of speaking, be standing here taking the time of the house to put forward my own views and those of my constituents? Why is this necessary? In an emotional issue of this kind, an issue of conscience, I feel that I must express my views and the views of my constituents whereas if there had been going to be a free vote my position might have been different. It follows, therefore, that at this time I am delegated to bring forward the views of different factions, different groups, different individuals in my constituency. This is necessary because the Prime Minister, after having first given the strong impression indirectly, if not directly, that there would be a free vote on this highly contentious and emotional issue, said latterly that the government would stand or fall on the issue. Some people may have different ideas about the interpretation of statements like that, but to me it simply means that this issue has now become a political one.

An hon. Member: A political flag.

Mr. Gundlock: This is the unavoidable result now, no matter what flag is adopted. Certainly if the flag outlined in the resolution is adopted it will be a political flag as well. If that should happen we will then have a flag that is not identified as a distinctive Canadian flag. It will be identified then as a political flag, and this may be good, bad or indifferent. Someone else will have to judge. Not only will it be identified as a political flag but it will also be identified with a certain person and a certain political party.

I deplore this attitude, Mr. Speaker. I had genuinely and sincerely hoped that parliament would have a free vote, and I think there are many in this party who feel the same way. There may also be some in other parties. Certainly there would have been very little objection if a free vote had been allowed. There came a time, however, when the Prime Minister realized that this would not bring to culmination what he had in mind.

A lot has been said about certain types of training, and from many years of schooling and experience I have had the impression, and still have, that a democratic leader in the true sense is the servant of the wishes of the people in a democracy. This resolution is not one brought forward by a democratic leader or government. How can it be, Mr. Speaker, when we are told that this will be it? Many times in the last few weeks we have been told that this will be it, like it or not, even to the point of suspending consideration of other legislation. We were told this to all intents and purposes only 15 minutes ago in the house. All other legislation will be put aside after a certain point is reached.

An hon. Member: The same old gang.

Mr. Gundlock: I hear comments about the same old bunch. We were told by the Prime Minister that after a certain point nothing else would be done in this session of parliament until the flag resolution was disposed of. As I said before, this is not my idea of a democratic leader or a democratic government. It sounds much more like a dictatorship. I had another word on the tip of my tongue. We should not have to be subjected to this procedure, Mr. Speaker. As has been mentioned before, there is a great deal of evidence that the proposed design is not as popular as some people think it is. I, like every other member of the house, can quote many prayers and petitions, and read letters, but there is something I would like to read before my time runs out. It is a summary of what the constituency of Lethbridge expects me to bring forth to this house, and it is this: Canadians generally are agreed or may agree to having a distinctive Canadian flag. They may agree upon this by themselves, maybe even through parliament alone, but as I expressed a few moments earlier we have been given to understand very clearly and distinctly that this will not be possible.

It has now become a political issue and, when it becomes a political issue, then the flag adopted will become a political flag and will be associated politically with certain people and with a certain political party. I definitely want to leave this thought with the house, that I cannot agree that any flag which

has this kind of association can be a distinctive Canadian flag regardless of the desire to have one.

The representations I have had from the constituency of Lethbridge point out to me that there is a great majority who strongly insist that the Canadian ensign be retained, or something very near to it. There are others who would go a little further but who would still retain much, if not all of the ensign.

This brings forth mention of a new design. I know how hopeless it is for me as a backbencher, as a member of the official opposition, to present the design of a flag, but later in my speech I would like to make a suggestion that has been prompted by all the representations I have received from those who have taken the trouble to make their wishes known to me.

There are some who would like the proposed flag, and there are more who would prefer a single maple leaf design. As I said earlier, Mr. Speaker, I am not able to summarize the representations I have received from my constituency, but I am delegated more or less to the House of Commons to present the wishes of my constituency, and this I am doing. I have pointed out that there is a great majority who strongly think we should have the ensign. I have pointed out another majority, slightly less, who would be willing to modify that flag but still retain certain parts of it. I have pointed out that there are those in my constituency who favour the flag described in the resolution, and I have pointed out that there are those who favour the design of a single maple leaf. This brings one to realize that the amendment to the resolution is very necessary. Frankly, Mr. Speaker, I support the amendment. When the Prime Minister and the government take the stand they do, then I see no other way by which the Canadian people can be satisfied on the design of a distinctive Canadian flag but through being given the opportunity to express their wishes.

My constituency may not coincide in its views with other constituencies, but it is a fairly average constituency. We talk about the wishes, the tendencies or the preferences of constituencies for a distinctive Canadian flag, but according to the cross-Canada newspaper poll, which I watched very closely, the Lethbridge *Herald*, a newspaper circulating in the general area from which I come, showed a greater percentage of voters in favour of the new design than did the newspaper circulating in Sherbrooke, Quebec.

There must be a significance in this. It shows that the flag design is not as popular in certain parts of the country as a lot of people would like to have us believe. According to the newspaper poll Lethbridge, Alberta, had a greater percentage of people in favour of the proposed flag than Sherbrooke, Quebec.

As you know, Mr. Speaker, I very seldom take up much time of the house, but there is something that has bothered me on this issue. I have thought it should not be allowed to pass unchallenged. I know that being a new and very inexperienced member I am treading on dangerous ground, but—

Mr. Chapdelaine: I rise on a point of order. I may be mistaken, but I think the hon. member mentioned my riding a moment ago. He said there were more people in his riding in favour of the new flag than there were in my riding, and I think that is not correct.

Mr. Deputy Speaker: Order. Would the hon. member kindly resume his seat. I can tell the hon. member that that is not a point of order. It is a matter of debate and the hon. member will have an opportunity to rectify the facts, if he thinks they are not correct, when he takes part in the debate.

Mr. Gundlock: Without referring directly to anything I mentioned a while ago I would have no objection whatsoever to repeating what I said. According to my knowledge of recent newspaper polls, they pointed out at a certain point that in my area percentagewise there were more people in favour of the flag design in this resolution before us than were reported as being in favour of it in Sherbrooke, Quebec. There is no insinuation there, whatsoever. I was only pointing out that probably some of us get carried away a little. I was surprised, as a matter of fact, though I do not put any credence in these polls. I mentioned them for whatever they are worth. President Truman has a very good description of polls, one which I do not think I can use here. He did not use it in his chamber and I am sure you would disallow it here, Mr. Speaker. That is all I said. There was certainly nothing personal about it.

But there is something to which I take exception, though it may not refer directly to either this resolution or the amendment. Certain members in particular of this house have made statements with which I cannot agree, and I would quote in this regard the hon. member for Villeneuve (Mr. Caouette). At page 4757 of *Hansard* he is reported as saying:

> Let us put a stop to our discussion and settle the matter of the flag right now.

I see the hon. member for Villeneuve is not in his seat. I wish he were. In one way I am glad he is not, though, because I realize he is a much more able debater than I am on the floor of this house. Nevertheless, this is what he said:

> Let us put a stop to our discussion and settle the matter of the flag right now.

Well, all hon. members, including the Prime Minister, know that this is not possible. He went on to say:

> The cleavage between these two racial groups of Canada is getting even worse.

This is a member of parliament speaking —a responsible man uttering words such as these. The hon. member used those very words:

> As I said yesterday, and I repeat it today, the cleavage between the two racial groups of Canada is getting even worse and I hold the Leader of the Opposition responsible for this situation.

As I said before, I take exception to this, and I challenge this statement. I ask you, Mr. Speaker, just where and how can one draw this line between two races in Canada? I have a colleague who usually sits here in front of me. This evening he is sitting just over there. Is he a man of a different race from mine? Is the hon. member I have just quoted, the hon. member for Villeneuve, a man from a different race? I say no, Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Gundlock: Statements such as that have gone unchallenged in this house so many times that I feel it is necessary to bring this point up, though I realize it may not be connected directly with ths resolution or with the amendment. But just for a moment I should like to remind some of my hon. friends—and if I may put it in the words of the hon. member for Villeneuve, those of the other race—that there are a lot of people concerned with their welfare, probably much more concerned than some of those who speak so much and so loudly in this place.

I mean this honestly and sincerely, Mr. Speaker. When I say we are concerned about this question, I can support my contention. As a matter of fact I can bring up my campaign material from my last campaign, from my previous campaign and from my first campaign. Throughout we campaigned on government policy. Particularly, we campaigned in the west on the basis of certain policies set out by the former minister of agriculture my hon. friend from Qu'Appelle (Mr. Hamilton). Do you think, Mr. Speaker, that is a purely selfish attitude for Canadians to take? Do you think that sort of thing is brought on by people of another race? I hope that when the hon. member is in his place he will bring my attention back to this at some future date. There is more I would like to say about this particular matter, Mr. Speaker, but I shall not do so at the moment.

There is another point along the same line. Ministers of the present government are often quoted in the press. I wish to refer to a statement made by a very respected minister—as a matter of fact, one for whom I personally have a great deal of respect—and I might say this remark is attributed to him in a press release. This newspaper article bears the heading "No answer for Quebec, Favreau says". I would like to read certain portions of it:

> An honest man cannot give a precise answer to the question: What does Quebec want? justice minister Guy Favreau told a Liberal party rally here on Saturday.
>
> Even if the man were a mind reader with the agility of a modern computer his answer would be long, tedious and inconclusive, Mr. Favreau said.

If I digress for a moment from the quotation, Mr. Speaker, as I was saying earlier, I do not think these things are all as bad as some people would like us to believe. If I may put it this way, we in the west do not consider ourselves a different race from those in Quebec.

Some hon. Members: Hear, hear.

Mr. Gundlock: We in the west—perhaps I should say "I", but I will say "we"—do not consider Canada selfishly; we do not think we can get along without them. I wish I had more time, Mr. Speaker, to try to convince the people in the east, if we have to use these words—and I deplore using the words "east" and "west" except geographically; and I hope that very soon that will be the only basis for using these words—of our sincerity in this matter.

Perhaps I may now continue with the quotation from the newspaper. This is from the Toronto *Globe and Mail* of recent date, June 29. It says:

> "Quebeckers have no overriding authority to unify their thoughts; some may want one thing, while others something else", he said.

That is referring to the Minister of Justice (Mr. Favreau). I said earlier that I had a great deal of respect for the minister who is

credited with uttering these words; but believe me, Mr. Speaker, when we have hon. members in this house on their feet time and time again repeating remarks such as I quoted earlier, it must be hard for the people of Quebec to understand what they do want. I want to put this on the record: I think the people of Quebec are the same kind of Canadians that I think I am, and the same kind of Canadians that I think we in the west are. I say again that I deplore this statement, "Two racial groups".

Some hon. Members: Hear, hear.

Mr. Gundlock: I want to conclude these remarks, Mr. Speaker, by referring to another matter.

Mr. Chapdelaine: On a point of order, Mr. Speaker; could we hear about the flag issue?

Mr. Gundlock: Mr. Speaker, I only raise this point because this expression was used by an hon. member when speaking on the flag issue, and I am quoting from *Hansard*.

An hon. Member: No; it was on the estimates.

Mr. Gundlock: If the hon. member will take the trouble to look it up, on page 4757 of *Hansard* he will see that the flag issue is referred to and this expression is used. The words used in *Hansard* are, "flag right now".

Before my time is concluded there are two other matters I want to bring to the attention of the house. At no time yet—and I hope there will come a time when we will hear more about this subject—have the wishes of a group of Canadians, who have never really been challenged as being real Canadians, been considered. I refer to the Indians, as we know them; treaty Indians, and some non-treaty Indians. I would like to pay tribute to them. I would also like to bring to your attention, Mr. Speaker, that probably my favourite constituent is a treaty Indian in the person of Senator James Gladstone of the other place.

Some hon. Members: Hear, hear.

Mr. Gundlock: I know that I hardly have the right to refer to the hon. gentleman in that way, but I am not doing so lightly, because the senator does live in my constituency and I do sincerely consider him to be my favourite constituent. I do not think there is any doubt about the fact that there is certainly nothing about race or creed or anything else connected with the Indians, so far as their recognition of a flag is concerned. What have they done about the ties with the past? There is one group that, perhaps the same as others, thinks we might use the totem pole as a Canadian symbol. There are others who think we might use an Indian headdress. There are those who would like to see a plain feather. But just lately a view among the Indians has more or less culminated in the opinion that we should use the symbol of the peace pipe. This suggestion came originally from the Six Nations Indians, who are very close to Ottawa as a matter of fact, and who have a very proud heritage. They consider themselves, even today, as allies of the Queen, even to the point where they do not too strongly consider Canada as a nation.

The Acting Speaker (Mr. Batten): Order. I must interrupt the hon. gentleman to advise him that the time allotted to him has expired.

Mr. Gundlock: I wonder if I could just have one more minute, Mr. Speaker.

The Acting Speaker (Mr. Batten): Does the house give unanimous consent to the hon. member for Lethbridge (Mr. Gundlock) completing his remarks?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Webb: He was interrupted twice.

Mr. Gundlock: Thank you, Mr. Speaker, and hon. members. I will be very brief. I did want to bring to the attention of the house this one point about the Indians. The Six Nations Indians were probably the first league of nations in the whole world—

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I rise on a point of order. Objections have been expressed. We said "no" but the hon. member still has the floor. He could talk all night long.

[*Text*]

Mr. Gundlock: I wanted to bring this matter to the attention of the Prime Minister (Mr. Pearson), Mr. Speaker.

[*Translation*]

Mr. Gauthier: Mr. Speaker, there is objection from this part of the house.

[*Text*]

Mr. Webb: Like everything else, you do not want to listen to the truth.

[*Translation*]

Mr. Gauthier: We object.

[*Text*]

Mr. Gundlock: I would like to conclude and say, if I may—

The Acting Speaker (Mr. Batten): Order. I must tell the hon. member for Lethbridge that the house does not give unanimous consent to his continuing.

[*Translation*]

Mr. Jean-Eudes Dubé (Restigouche-Madawaska): Mr. Speaker, it is with great pride and pleasure that I come to add my modest contribution to that of the hon. members who spoke before me in this debate on the Canadian flag.

I am convinced that history will not forget the present debate and that we are now paving the way for our country's ultimate phase. We have reached the stage where we, in this house, as representatives of the Canadian people, are called upon to decide whether we have to live in the past, divide the nation as regards the present or head towards the future side by side. Several members emphasize the fact that many other bills should hold our attention and that the flag issue should be postponed.

I admit that the Canadian people are impatiently waiting for a great number of very important measures already appearing on the order paper. But we have only ourselves to blame if we do not make more progress in our work. Many of those pieces of legislation would have been passed by now if parliament were less interested in extending the debates and more anxious to achieve results.

If members of the house were to decide to postpone the selection of a flag, I suggest that it would not provide a solution to the problem, because failure of parliament to assume its responsibilities would be a failure to carry out the mandate conferred on it by the Canadian people.

The amendment under consideration this evening aims at relieving us from our obligations and relying on a plebiscite. It is not a very courageous solution. The mover of that resolution is apparently more interested in dividing than in legislating.

Mr. Speaker, our parliamentary system does not lend itself very well to a plebiscite. The Prime Minister (Mr. Pearson) has already pointed out, in his first speech on the flag, that there were only two plebiscites in Canadian history, one in 1898 on prohibition and the second in 1942 on conscription. And, as everyone knows, those two plebiscites have been failures.

Our parliamentary system is based, first, on the election of members whose duty it is to assume their own responsibilities. We have been entrusted with a mandate; we must act.

If a plebiscite were to be held on the flag issue, why should we not hold one with regard to pensions? Why not another one regarding franchise at 18? Why not another plebiscite on redistribution?

The suggestion of a plebiscite, in my opinion, is simply a putting-off, a smokescreen on the part of a leader who would like to cover up the divisions which rend his party as well as the indecisiveness which crippled him regarding the adoption of a flag.

Mr. Lambert: Nonsense.

Mr. Dubé: During the last two election campaigns, the party to which I am proud to belong promised to give Canada a distinctive flag within two years after taking office. We never pledged ourselves to hold a referendum on that question. Indeed, to my knowledge, no political party represented here stated during the election campaign that it would hold a referendum on the flag issue. In my opinion, that proposal is a last ditch effort, a desperate step to delay the adoption of a distinctive flag.

Yet, several hon. members claim that the red ensign which was given temporary approval in 1945, by virtue of an order in council, is a distinctive Canadian flag. I respect their opinion but I do not share it.

Everybody knows that the red ensign is the naval flag flown by all ships of the British merchant marine. It is the flag of various yachting clubs. It is the flag of many companies which have obtained their charters from the crown, such as perhaps the Hudson Bay Company. It also the flag of several colonies. In short, the red ensign is a respectable flag; it is also a respected flag. However, I do not think it a typical Canadian flag. It is a temporary flag which can be flown, as mentioned in the order in council of September 5, 1945:

—so long as parliament has not taken steps to adopt an official national flag.

Now, the time has come for parliament to adopt officially a typically distinctive flag.

If the history of the red ensign goes back officially to 1945 only, the three maple leaves on a single stem go back, as a heraldic symbol, to 1868. As a matter of fact, it is then that Queen Victoria gave as a symbol to Upper Canada—now Ontario—by royal decree, three gold maple leaves on a green field. That same 1868 decree gave as a

symbol to Lower Canada—which is Quebec today—three green maple leaves on a gold field.

Finally, on November 21, 1921, His Majesty George V, at the request of the Canadian Conservative government, promulgated red and white as the national colours of Canada and decreed as a Canadian emblem three maple leaves on a single stem.

Therefore, it seems a well established fact that the flag proposed in the resolution, that is three red maple leaves on a white field, is quite appropriate from the heraldic point of view and deeply faithful from the historic point of view. But if fondness for the past is a great virtue, a realistic approach to the present situation is also essential, and I would even say that for legislators and leaders, it is the future, much more than the past, which is important.

Mr. Speaker, I think I am right when I say that Canada is now going through one of the most distressing periods of its history.

I do not want to point out any further the extremist and vocal movements which stir the people in various places in the country. They already receive too much publicity.

But if those movements indicate a great unrest, they also reflect a national awakening.

It is our duty to direct those energies towards a positive goal, towards the unity of the nation. And a distinctive national flag as well as a constructive debate on this subject might inspire the Canadian people in a new national awakening and a total effort in order to achieve our potential and our aspirations.

Personally, I am convinced that the great majority of Canadians wish to preserve the Canadian nation and take part in the complete development of our economic and cultural assets.

Our country has a great future, and a really Canadian national flag may become the emblem of a new national pride and at the same time the starting point of a collective march towards our destiny.

[*Text*]

Mr. Mandziuk: Would the hon. member permit a question?

Mr. Dubé: Yes.

Mr. Mandziuk: Does the hon. member know that in 1961 his leader promised the Canadian people they would be told as to whether or not they wanted a certain distinctive national flag?

[Mr. Dubé.]

Mr. Dubé: This is not the case at all. During two elections, the Liberal party promised the Canadian people a distinctive national flag. At no time was a referendum or a plebiscite promised or even mentioned.

Mr. Mandziuk: May I ask another question? The hon. member was talking about a mandate. What was the mandate he received from constituents, or does this apply to all other constituencies? What was the mandate he received from his constituents?

Mr. Dubé: The mandate was to carry out our program, and the flag is part of our program which we have to carry out within two years.

Mr. Mandziuk: Did you tell them the program you were carrying out or the flag you were going to introduce?

Mr. J. N. Ormiston (Melville): Mr. Speaker, like many other members on all sides of the house I have been impressed, and considerably so, by the moderation which has been evident on the part of hon. members expressing their opinions during this debate. This bodes very well for the debate. It may seem unusual, but I should like to preface my remarks by a quotation from the leader of the New Democratic party, I might say a friend. I believe he has something the same background as I have. As I say, it may seem unusual that I would preface my remarks by quoting the remarks of that hon. member, but we have something in common, Mr. Speaker. The hon. member for Burnaby-Coquitlam (Mr. Douglas) was raised in the industrial complex of the midlands of Scotland, while I was raised in the pastoral quietude of the borders. It stands to reason therefore that while we may have something in common, we may have our differences as well.

However, sir, if I may I should like to quote from the remarks of the hon. member which appear on page 4350 of *Hansard*:

> The third thing I want to say something about, Mr. Speaker, is the actual design of the flag itself. I have a good deal of sympathy for those who advocate selecting the red ensign, with some modifications, as the national flag of Canada. As one who was born in Scotland I have a deep attachment for British traditions and British institutions, I would be very happy, personally, with a flag in which there was the union jack in one corner and the fleur-de-lis in another, thus paying tribute to the two great founding races that came together to make up the partnership of confederation.

This, Mr. Speaker, shows that those of us who had our background in the old land respond to these appeals to reason which

should typify all hon. members. I think in some respects the Prime Minister qualifies as one of those who have shown some restraint, because during the past month he has been appealing for moderation and a constructive approach to national unity. He says, of course, there are troublesome problems that must be solved and urges the peoples of the various cultures to show restraint. However, rather than restraint on the part of the government, there has been a certain amount of precipitate action to force an early decision on the flag issue, while matters of equal importance have been shelved for future consideration. Surely, sir, the Prime Minister could hardly intrude a more divisive issue into national debate at this time than the question of a new flag. Any attempt to erase ancient origins and traditions in the manner presently employed would inevitably touch off a situation that might split not only parliament but the nation as well.

A nation, even as young as Canada, can be proud of its Christian heritage, its honourable traditions which are presently embodied in our flag, and to fly a national emblem without those symbols of our historic background would be ignoring both the accomplishments of the past and the prospects for the future.

Flags may be as old as civilization, but they still retain much of their ancient power. Throughout history men have realized that they could express their feelings for their country and its people, their loyalty and sense of patriotic duty, by showing respect for their emblem, the national flag, and by understanding something of its meaning and its history. This helped them to be fellow citizens of a community instead of merely being people who happened to live together in one part of the earth. This is as true today as it ever was. We need not only respect our flags but protect them for posterity.

Over the years, designs on flags have not been picked at random or on the personal choice of one individual, but largely because of their meaning. Some have been deliberately selected in recent times, while others have been in use from time immemorial, their origins coming from ancient legends or being completely lost in the past. To interpret the meaning of a flag helps us to understand and appreciate something of the history and ideals of a country which flies it.

Obviously a flag of an innocuous pattern or an uninspiring design, such as is being presented for our consideration, fails to meet even the minimum standards which we should accept when judging it in comparison with that which we have cherished in the past. It is for some of the reasons mentioned and, I may as well admit, for personal and sentimental reasons that I have on two occasions presented to the house a private member's bill for the adoption of the red ensign as Canada's national flag.

Naturally I have been impressed by the reasoning of other members who have spoken so eloquently on the government's proposed flag design and particularly by the hon. member for Leeds (Mr. Matheson), who I am sorry is not in the chamber tonight but who traced the use of the maple leaves as emblems and symbols as far back as 1862 and culminating, of course, in the extensive acceptance of the maple leaf insignia by our armed forces in world war II. However, in spite of the wide use of the maple leaf design the flag committee, which brought in its report in July of 1946, only saw fit to use the symbol as an integral part of the red ensign. This, of course, was in the days when we were spiritually uplifted, having made a great contribution to hostilities which were brought to a successful conclusion in 1945. Possibly in the report of the flag committee there was a projection of the public feeling which indicated a keener sense of the real values, exposed as our people had been to five years of war in which understanding, tolerance and sacrifice were present in greater measure than ever before as dominant features of human nature. I am not suggesting that those virtues are not present today, but in our present affluent and complacent society it does not seem that our vigour and determination are being properly applied if we accept this inadequate symbol as representing Canada's greatness today.

Should it happen that our present flag passes from the scene, there are those who will have deep and sincere misgivings as to what will be the next step in that path of retreat which will finally separate us from the commonwealth and the crown. If this is the view of only a small minority, then these apprehensions can only be dispelled by something more reassuring than the presentation of the present flag design. No action which will increase the divisions within the country at this time is justified, especially in view of the fact that those adversely affected have no way of making themselves heard except by representations through those who refuse to accept this form of dictation.

Like many other members I have had a great deal of correspondence regarding the flag issue over the past two years, possibly

because of the action I have taken in that regard. At the present tme my correspondence runs 90 per cent in favour of the red ensign. Strangely enough, many of those who have taken exception to the new flag proposal are not of my own political persuasion and find it difficult to have their own party members accept their opinions. Possibly this is one of the best reasons why we should support the reasoned appeal to rationalism which was proposed by the hon. member for Qu'Appelle (Mr. Hamilton). Surely he proposed a reasonable idea which should be accepted. If the people of this country have an opportunity to voice their opinion, those who do not see eye to eye with the present proposal will gladly accept the will of the people of the rest of Canada. In conclusion may I say I am glad to support the amendment proposed by the Leader of the Opposition (Mr. Diefenbaker).

[*Translation*]

Mr. Jean-Paul Matte (Champlain): Mr. Speaker, I am very happy to be able to take part for a few moments only, so as not to delay the proceedings, in the surely historical debate we are carrying on at present and to express my approval of resolution 44(A) introduced by this government.

Even though I must congratulate the Prime Minister (Mr. Pearson) on his courage, such an issue must rise above any political allegiance. That is why I hold nothing against anyone and I do not defend any cause other than the unification of my country. We, as Canadians, should have a common ideal, regardless of our origin.

A flag is but a piece of material attached to a pole, but the important point at the present time is that it serves as an emblem, as a symbol, as a rallying sign. Accumulating or multiplying symbols serves no useful purpose.

It is difficult for me to understand why some members object to the formal adoption of a real national distinctive flag. May I labour this point.

When, in 1945, a ministerial decree recognized a flag for Canada, it is only accidentally and casually that it was proposed, and this flag was to remain until a distinctive official flag was adopted. It means, Mr. Speaker, that this possibility had been considered even by those who adopted temporarily the red ensign. This flag was not a distinctive and permanent national flag, and there was some hint of the possibility, which, today, is a fact, of permanently adopting some day an official, distinctive, intrinsically Canadian flag, which no contingency could ever suppress.

I understand that this question requires sacrifices on both sides, especially for those who served so valiantly under such flag, since it is a highly emotional and sensitive question. It should not be forgotten that great things stemmed from sacrifice and self-denial; they were the more enduring if they required self-sacrifice. Let us work altogether in a gesture of harmony for the good of the country.

The time has come for us to produce a really distinctive flag, comprising no emblem belonging to another country. We have become an adult nation and we have to prove our maturity.

The essential thing should be now that this flag which is submitted to us receive official and absolute approval by statute, so as to be accepted in every part of this country and throughout our territory, without being left to local whims and prejudices. The approval of parliament which the Canadian people has been expecting for so long will, I trust, sanction a distinctive national flag, an official design consecrated by law. To us, it will be the exclusive symbol of Canada from sea to sea, and everywhere throughout the world.

I should not like to rehash all arguments in favour of the three maple leaves, and against a referendum which would only lead to as much confusion as if the 3,000 designs had been submitted to the house.

In closing my remarks, Mr. Speaker, I would like to state that I love my country, its people, of whatever origin and whatever political allegiance they may be. I have only one wish, and that is to see this country grow and prosper in harmony, in this diversity which can be held up as an example to the world, under a flag which would be truly and essentially Canadian for the benefit of Canada and all its citizens.

[*Text*]

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, if this catalogue of one's traditions is necessary, then I am going to indulge in it for a minute. It happens that in 1783 my paternal ancestors came from Connecticut to the part of Canada I happen to have the privilege of representing. Perhaps this labels me; it does according to some lights, anyway. My maternal ancestors came to Cape Breton from Scotland in the early part of the 19th century, but surely these facts in themselves —really they do not matter—do not make me British. Neither do they make me American; neither do they make me Scottish. I always look upon myself as a Canadian, and

to quote the immortal words of another in this house, "I am for Canada".

Having said that, however, I happen to be one of these naïve people who believe in the universality of man. I would be delighted, for instance, if the United Nations flag could be adopted as the flag of Canada, and it might not be too bad a message for the world. Such a day is not now, I am realistic enough to know, but it must come I suggest in man's march toward a world order.

I also try to be realistic. I recognize and deeply appreciate the French fact in Canada. I sympathize with the aspirations of this co-founding race in its wish to take its rightful place in an evolving Canada. As a matter of fact, to show you how confused the whole issue is in Canada, and how careful a member of parliament must be in trying to articulate his beliefs, the other day when I made a comment in this house and used the phrase derisively about little Englanders in the sense that we in Canada, and any part of Canada, must not be isolationists, several of my constituents severely criticized me as being against England. So, a member of parliament is in great difficulty and has to take great care.

I happen to support a distinctive Canadian flag, but having said that I think it is fair to say that distinctive means different things to different people. The hon. member for Restigouche-Madawaska (Mr. Dubé), who has spoken and who represents a part of New Brunswick, felt that distinctive means the ignoring of our past, using the word in the sense that everything that went before in our land must be turned aside. But to me the word distinctive means something different from that. It means something unique, something special, something which stands by itself.

I happen to believe that a flag which embodies the union jack and the fleur-de-lis, or any other symbol acceptable to the French, or recognition of the French partnership in Canada's growth and development, would mean and be a distinctive Canadian flag. For weeks now, although this debate has only been going on for three days, I have been hearing derisive things said about those loyal Canadians whose entire background and tradition make it perfectly obvious they would wish to honour and revere the red ensign. These Canadians have been taught to do this in their schools. They have even been admonished to do so by those who in earlier days—and not so very long ago at that—sat in the seats now occupied by the Prime Minister and his colleagues and, as a matter of fact, led and supported the party which the Prime Minister now leads and supports. My allusion here is of course to Right Hon. W. L. Mackenzie King.

It seems fairly obvious that there should not be a grade or a degree of patriotism or, as some use the word, of Canadianism in our land. No one has a monopoly on patriotism or upon feelings of loyalty to this country and its institutions.

I am not here today to swear allegiance or to put my love of country to any test. Everything right and good and true does not repose in the breast of the Prime Minister or in the breasts of those who support him. Everything wrong and out of date and disloyal does not rest in the being of my leader and those of my colleagues who have taken strong positions on what I call this manufactured issue.

I have a formula—it is not new but I want to present it—for trying to resolve this so-called flag issue, and I propose to strip it of all complications and complexities. At least it has been stripped in my mind and, if I am any good at all, I will be able to present it to the house in a fairly clear way. My formula would give each Canadian eligible to vote a share in the determination of the distinctive Canadian flag.

I support the proposal of my leader for a referendum or plebiscite. I suggest that the people should share in this momentous decision we are about to take. Our flag, as has been said before, must not be allowed to become a Pearson flag. Our flag must not be allowed to become a Liberal flag—with the large L of that much maligned word. Our flag must not become—as it may be, unless we take a very close checkrein on our emotions—a partisan flag. Rather, it seems to me to be obvious that a flag should be one the final choice of which is shared by the greatest possible number of Canadians. Some members who have spoken from the other side talk about a mandate. It is obvious to the country and it is certainly obvious to anyone in this house that there is no such thing as a clear and decisive mandate on this issue. This is, in the immortal words of the leader of the Social Credit party, a house of minorities, and I do not see how in any house of minorities on an issue which transcends partisan aspects and goes to the roots of people's traditions and beliefs, the government can properly claim that it holds a mandate for making this change in the manner in which they propose to make it. I suggest the people

should be allowed to decide and I think this simple, honest and practical act on the part of the Prime Minister would immediately dispel any suspicion, if there is any suspicion, of partisanship in the consideration of this issue. Let the people decide, and all division will wither away because a democratic process would have been followed. Let the people decide, and obviously we will have a flag which the majority have selected in the way I am about to indicate as being their preference.

The hon. member for Restigouche-Madawaska (Mr. Dubé) and no doubt others who have spoken, have referred to the two other plebiscites, the plebiscite on prohibition, which was a failure, and the plebiscite in 1942. I wonder where the blame should properly lie for the failure of those two plebiscites. The blame in 1942 seems to be reasonably obvious. History can tell us that. And if anybody is interested in the plebiscite on prohibition I suppose I could give a learned dissertation on it. But perhaps the following might be recommended to the people of Canada for a decision on the basis of a first, second, third, fourth and fifth choice, listed in whatever order the house would prefer. I happen to have listed them in the order I intend to give now:

1. Whether a distinctive Canadian flag should be the red ensign as presently constituted;

2. the three maple leaf design suggested in the resolution before us;

3. the single maple leaf design recommended by the New Democratic party;

4. the triangle design incorporating a single maple leaf, suggested I understand by the Saint Jean Baptiste society, or

5. an adaptation of the red ensign so as to include a fleur de lis or a maple leaf or any other symbol in the fly, rather than the great seal of Canada which is now in the red ensign.

This formula of choice would, it seems to me, present a fair series with a wide aspect of selection to the people of Canada. The people could indicate their preference in a democratic way by numbering their various choices in accordance with their wishes. By this formula, the final solution will be the result of the efforts of everybody in this country who took the trouble to make a choice at all.

While Canadians were making their choice and the results were being tabulated, it seems to me this parliament could go about its urgent business. We have had some indication from the Prime Minister in his statement this evening of the issues the government thinks —and I share this opinion—are urgent. But this is after all a mediocre list—a list of expediencies. It is a list which does not include in any way the fundamental and ongoing problems of this country. By this suggestion of mine Canadians would be given a choice according to their preferences and we would not be subjected here to the game of hide and seek caused by the government's other items to which, understandably, it wishes to give priority.

Another thing which could be dispelled by this formula of mine would be the overriding threat of a general election which seems to be put forward by the Prime Minister and other members of the government every time somebody wants to take a rightful share in the debates in this house. These threats are born of frustration because of bad organization, and I think they are to be repudiated by people who have tried to explain the proper function of a free and democratic parliament. We have had a new gimmick tonight in this faltering endeavour to bring some semblance of order to a perambulating parliament. I suggest that the Prime Minister has advanced the threat of closure on this issue in every aspect but that of the actual rules. I suggest his statement about the disposal of this flag resolution amounts to *de facto* closure.

Now I see it is 10.30 and everybody will wish to ponder my words over the next 48 hours.

BUSINESS OF THE HOUSE

Mr. Churchill: So that the record may be clear, after the one day holiday we are getting this summer, would the acting house leader be able to announce that we will be dealing with the spending program of the government by way of the main estimates on Thursday and Friday, or do we carry on with the debate on the flag resolution?

Mr. MacNaught: The first item to be called on Thursday would be the resolution preceding the bill to establish youth allowances. By agreement among the various house leaders, that will go through without any debate. Then we will go on with the flag debate.

Mr. Churchill: Friday as well?

Mr. MacNaught: Friday as well.

Mr. Churchill: No main estimates.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

POST OFFICE DEPARTMENT—TRAIL, B.C.—REQUEST FOR INVESTIGATION INTO OVERTIME MAIL DELIVERY

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I apologize for appearing so frequently on this late night show, but duty impels me. A few days ago I received a telegram from Robert Keiver, president of local 480 of the Trail and district smelter workers union. I will read the telegram:

> This is to advise you that commencing at about 7 p.m. Monday June twenty second a special delivery of mail was made door to door to Trail members of our union. Normally no mail delivery is scheduled for this time of day. Our information is and can be attested to that postal employees at Trail were requested at about 2 p.m. to work overtime for four hours after 6 p.m. These postal employees were obliged to make a delivery over and above normal deliveries which consisted mainly of a communication from the employer Consolidated Mining and Smelting Company to each of its employees residing in the city of Trail in company envelopes and metered indicating four cent postage rate. This extraordinary privilege accorded by the Post Office Department to Cominco takes place on the eve of a referendum being conducted by the union representing the employees and the vote is a phase of a labour dispute between the company and its employees. We are not objecting to the content of the material distributed in this instance but seriously question the principle involved which appears designed to give an employer an advantage in a dispute with his employees. We respectfully request you to raise this matter and demand a full investigation by the responsible federal authorities.

That is signed, "R. Keiver, president, local 480, Trail and district smelter workers". Mr. Speaker, I have also received other telegrams and several 'phone calls from interested persons in the district. This has created quite a lot of comment in the district, because it is considered a somewhat unusual circumstance. I have been informed that some of the postmen at least were in uniform when they were delivering these special delivery letters. I have been reliably informed that only four cents postage was paid by Consolidated Mining and Smelting Company instead of the 29 cents that is normally required under the circumstances. I have been informed recently that the postmen are not certain, even at this date, whether they will be paid by Consolidated Mining and Smelting Company for this overtime or by the Post Office Department.

On that account, Mr. Speaker, I asked the minister the following question a few days ago:

> Has the minister any information to give the house with respect to his inquiries concerning an unconventional special delivery of mail in Trail, undertaken at the request of the Consolidated Mining and Smelting Co. Ltd. on the evening prior to a vote of the employees on an arbitration award?

We all know the minister has an excellent record as a good administrator and in wartime he rendered good service to his country in this respect; and he has an excellent record since in British Columbia in his association with the forestry industry. I am sure, therefore, he wants everything in his department to be run according to Hoyle and according to the regulations. Therefore, Mr. Speaker, because of the concern of the union men concerned and other patrons of the Trail post office, and in view of the apparent irregularities, I would appreciate it very much if the minister would give the house some information with respect to what appears to be a most unusual situation.

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, I thank the hon. member for having furnished me with a copy of the telegram in question and a subsequent telegram which he received. Within a matter of minutes of the time I received the first wire I gave instructions to look into this matter. We received a preliminary report by telephone. It was not complete. Because I was going to be in the west over the week end I assured my hon. friend that I would make inquiries while there and would let him and the house have a further report today.

I have little to add to what the hon. member has said. The letters in question, and there were many of them, were delivered at the post office in Trail in the late afternoon of the day in question. They were stamped, as the hon. member says, with a four-cent stamp, or rather they were metered with a four-cent stamp charge recorded. I do want to make perfectly clear that if there is any fault in the matter the fault is not that of the postmaster in Trail.

After the letters were delivered to the post office a request came from the company to deliver the letters during the evening; at least, an inquiry was made as to whether they could be delivered during the evening. The company said they were prepared to pay any reasonable charge for this extra work. A rate

Answer to Question

was suggested for the postmen who might be willing to deliver these letters during the evening. The postmaster then quite properly called his superior in Vancouver, the district director. By this time it was evening and the district director, thinking he had a precedent for so doing, because of the time factor, authorized the postmaster in Trail to put the proposition to the postmen and ask them whether or not they would be willing to deliver the letters that evening at the rate of so much per hour. It was not a request but an inquiry. All but one of them said they would take the advantage of the opportunity to make some overtime. They showed up in the early evening at the post office, some in uniform and some not, and they delivered the letters.

In the course of my conversation I asked the district director to produce the file on which he relied as a precedent. That file has not yet been supplied to me; he undertook to send it off by air mail either last night or today. I agree with the hon. member that there seems to have been an irregularity, to say the least. The district director gave me to understand they would have done the same thing for the union, although that does not excuse it if it is improper. When I receive the report, which I would expect to receive, not tomorrow because of the holiday but on Thursday, I will advise my hon. friend further. I also intend to have a legal opinion on the position and if disciplinary action is required in the case of the district director it will be taken. But until I see the documents on which he relied as a precedent I cannot definitely say that there has been a breach of the regulations.

It is certainly an extraordinary procedure, one which should not be encouraged, and I must say I commend the district director for saying frankly: "If anyone is responsible, I am; don't blame the postmaster". As I say, I will keep the hon. member informed, and if further action needs to be taken I can assure him it will be taken.

Mr. Herridge: Mr. Speaker, I should like to thank the minister for his frank and clear explanation of the circumstances and the information he has to date; and also for his kind compliment with respect to my being a learned person.

Motion agreed to and the house adjourned at 10.42 p.m.

[*Answer to Question No. 1,319 referred to on page 4811 of June 29 issue.*]

[*Translation*]

Answer: (a) To answer this question, it will be necessary to secure from the province latest figures regarding projects completed by March 31 1964; (b) see the subjoined summary of projects; (c) see the subjoined summary of projects; (d) see the subjoined summary of projects for Roberval county; (e) see answer under part (a); (f) None.

	Part (b) Number of projects	Number of projects	Part (c) Amount
Newfoundland	33		Nil
Prince Edward Island	27	(1)	$ 9,712.37
Nova Scotia	41	(4)	97,625.00
New Brunswick	29	(2)	112,800.00
Quebec	127	(5)	259,441.00
Ontario	28	(6)	171,768.00
Manitoba	59	(10)	696,442.00
Saskatchewan	81	(12)	2,004,060.00
Alberta	24	(3)	792,651.00
British Columbia	16		Nil

COUNTY OF ROBERVAL

Number	Description	Position	Class	Shareable portion of total cost	Federal share
				$	$
5054	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval, Dalmas and Proulx townships	Approved	A	114,773.00	57,386.00
5055	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval, Racine township	Approved	A	206,572.00	103,286.00
5122	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval, Beaudet township	Recommended	A	130,754.00	65,877.00
5124	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval, Parent and Albanel townships	Recommended	A	120,572.00	60,286.00
5125	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval, Sainte-Elisabeth parish	Approved	A	58,564.00	29,282.00
5126	Use of land for other purposes—for a survey of development in the two planned blueberry-growing areas of Roberval and Abitibi	Recommended	A	140,406.86	70,203.43
5049	Use of land for other purposes—procurement of marginal farm lands and co-operative development of blueberry-land in the county of Roberval	Approved	A	148,566.00	74,283.00

HOUSE OF COMMONS

Thursday, July 2, 1964

The house met at 2 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the house that the Clerk of the house has received from the chief electoral officer a certificate of the election and return of Mrs. Eloise Jones, member for the electoral district of Saskatoon.

Some hon. Members: Hear, hear.

HOUSE OF COMMONS

NEW BROCHURE CONTAINING SEATING PLAN OF CHAMBER

Mr. Speaker: Hon. members will have noticed the new seating plan which is on each member's desk today. This is the publication mentioned in the ninth report of the special committee on procedure and organization tabled in the house on June 24. The copies on hon. members' desks are from an advance and very limited supply delivered to me yesterday, Canada's national holiday. It will be available in quantity for distribution to visitors and for the general use of members some time within the next two weeks or so. The brochure is being printed in one million copies. However, in order to keep the seating plan up to date, the coloured side only will be printed initially and the black and white portion will be run in smaller lots as required so as to reflect seating changes that occur from time to time.

May I acknowledge our appreciation to the queen's printer and those engaged by him to produce this handsome brochure for getting it out in record time. It represents the first step only in a long range program to make available a variety of attractively illustrated, well written publications, postcards and other material that will, I hope, give to Canadians and to our visitors from other countries a better appreciation of the significance of parliament.

PRIVILEGE

MR. CÔTÉ, CHICOUTIMI—PLAYING OF ROYAL ANTHEM AT WORLD FAIR CEREMONY

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I rise on a question of privilege. At the close of the impressive ceremony of "La nuit des îles" sponsored by the city of Montreal on the evening of June 30, 1964, to mark the taking over of St. Helen's island and the island of Notre Dame by the World Exhibition Corporation, the band played England's royal anthem, to the obvious displeasure of most spectators because only the national anthem "O Canada" appeared on the program.

In view of the fact that this awe-inspiring event was bound to have world-wide repercussions the time was very ill chosen to show that Canada is still a subject country. Under those circumstances when every trace of the red ensign had been removed from St. Helen's island, I feel that the playing of the English royal anthem was a truly provocative action. Whoever took that step had no right to do so, and I wish to protest most emphatically against such a gesture of colonialism.

[*Text*]

MR. PAUL—REQUEST FOR COMMUTATION OF SENTENCE OF CONVICTED MURDERER

[*Translation*]

Mr. Rémi Paul (Berthier-Maskinongé-Delanaudière): Mr. Speaker, I rise on a question of privilege to get the house acquainted with an urgent problem involving the life of a man, Mr. Georges Marcotte, and the sound administration of justice in our country.

To begin with, I want to emphasize that I have no personal sympathy for Mr. Georges Marcotte and no relationship with him—

[*Text*]

Hon. J. Watson MacNaught (Solicitor General): Mr. Speaker, on a point of order, I believe the hon. gentleman is out of order in his representations at this time according to citation 160 of Beauchesne.

[*Translation*]

Mr. Paul: Mr. Speaker, I understand the attitude of the Solicitor General but if he would kindly listen to the remarks I wish to make on the basis of the information I have here, he could perhaps rise on a question of privilege or a point of order afterwards.

As I was saying, I have no sympathy for nor relationship with Georges Marcotte who is to go to the scaffold at twelve o'clock tonight, or with any member of his family or any of his accomplices.

If I intervene, it is merely because I feel that as a practising lawyer I must call the attention of the house to certain events which occurred yesterday.

I have here a certified copy of a sworn statement made by the first eye-witness of the shooting which followed the armed robbery at the Canadian Imperial Bank of Commerce, in December 1962, during which two men of the Ville St. Laurent police force, constables Denis Brabant and Claude Marineau were killed. Mrs. Ilona Szucs, wife of Zoltan Dallos, residing in the city of Hamilton, in Ontario, was not heard at the trial of Georges Marcotte while her testimony should have been considered essential and of such a nature as to identify the person who shot at the police officers.

Because of new developments in this case provided by Mrs. Dallos, I ask the government, in the name of justice under which, if justice is to be dispensed in full, an accused must have the benefit of any reasonable doubt, and so that Marcotte may not be hanged unless proof of his guilt is ascertained without any doubt, to follow either one of these alternatives:

(a) Postpone the execution of Georges Marcotte—

[*Text*]

Mr. Speaker: Order. My attention has been called to citation 160 of Beauchesne, which reads:

> Parliament does not appear to have any part to play in the matter of clemency which is a prerogative of the crown that should not be interfered with by proceedings of the House of Commons while the subject is under consideration by His Excellency and his advisers.

Due to the importance of the matter I thought it advisable to allow the hon. member to bring his suggestions or complaints or new evidence to the attention of the legal authorities of the house; but having done that, in view of those circumstances I think the hon. member should desist and not make any further comments. He has, of course, the full opportunity of bringing these matters personally to the attention of the Minister of Justice at the proper time later on this day.

Mr. Paul: Thank you very much, Mr. Speaker.

[*Translation*]

Mr. Speaker, I am well aware of that citation from Beauchesne which I carefully examined before coming into the house, but I still think that when the life of a man is at stake, the standing orders of the house should be by-passed.

I therefore submit to the government—

[*Text*]

Mr. Speaker: Order, please. As I have pointed out, this is a matter of great concern to many people, and certainly to the hon. member, but it is not a question of privilege especially in view of the citations given, and I am sure the hon. member has full opportunity to present his evidence, if any, whether it is new or old, to the Minister of Justice.

[*Translation*]

Mr. Paul: Mr. Speaker, if I did not abide up to now by the provisions of Beauchesne's citation may I be allowed to complete my remarks, which include about five more lines. So far I have only stated facts, but I should now like to put my request to the government.

[*Text*]

Mr. Speaker: If the hon. member could limit himself to five lines I think the members of the house might hear him. May I ask first, does the hon. member have the unanimous consent of the house to speak about five lines?

Some hon. Members: Agreed.

[*Translation*]

Mr. Paul: Mr. Speaker, I therefore ask the government to grant a stay of execution to Georges Marcotte for a determined period so as to order the necessary investigation, which might justify a further trial, or to commute the death penalty for a life term so that he many receive the same treatment as his accomplice, Jean-Paul Fournel.

[*Text*]

[*Later:*]

On the orders of the day:

[*Translation*]

Mr. Rémi Paul (Berthier-Maskinongé-Delanaudière): Mr. Speaker, I should like to direct a question to the Solicitor General.

Can the minister tell us whether a decision has been taken in connection with Georges Marcotte following the meeting of almost two hours which he had this morning in his office with the crown attorneys, the counsel of the accused and officials of the Quebec provincial police and the federal Department of Justice?

[*Text*]

Hon. J. Watson MacNaught (Solicitor General): I understand that a press release was issued some time ago giving that information. For the information of the hon. member, a decision has been taken not to interfere.

[*Later:*]

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): A supplementary question to the one which the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) has just asked. In view of the facts submitted to the house this afternoon, is it the intention of the government to take steps in order to postpone the execution of the sentence against Georges Marcotte?

[*Text*]

Mr. MacNaught: In view of what is contained in citation 160 of Beauchesne I think there is nothing further I can tell the house.

Mr. Martineau: With regard to the point of order—

Mr. Speaker: Order. This matter was raised as a question of privilege and a decision was given. The house has been referred to citation 160 of Beauchesne. The hon. member is now seeking to do indirectly what has been prohibited directly, and I think he will be out of order very shortly if he does not desist.

Mr. Martineau: Well, would Your Honour mind my making a very short observation because of the seriousness—

Mr. Speaker: Order. Has the hon. member a question to ask? If he has, let him pose his question.

Mr. Martineau: Yes, I do have a question to ask. Does the government or the Department of Justice intend to postpone for a few days at least the execution of that sentence against Georges Marcotte on account of the new facts which have been revealed today? As the Solicitor General has just stated, the decision not to commute the sentence was taken before these facts came to the attention of the proper authorities, and I think, Mr. Speaker—

Some hon. Members: Order.

Mr. Martineau: I have one more remark to make—

Mr. Speaker: That is just the point. The hon. member is making remarks, not asking questions. Again I would draw attention to the statement in Beauchesne that parliament does not appear to have any part to play in the matter of clemency. In view of the urgency of this matter, if the minister wishes to make a statement that is fine, but I do not think he is called upon to make any statement.

Mr. Martineau: The Solicitor General has raised a point of order, and I think I have the right to speak to that point of order.

Mr. Speaker: May I suggest to the hon. member that he listen to the remarks which the responsible minister is about to make.

Mr. MacNaught: Mr. Speaker, for the information of the house I might say that all the information contained in the affidavit referred to by the hon. member who first raised this question was carefully considered by cabinet, and the decision was made not to interfere.

[*Translation*]

Mr. Paul: Mr. Speaker, may I put a supplementary question?

Could the Solicitor General tell us whether officials in charge of the investigation have been informed this morning of the evidence given by that person to the effect that police officials had not summoned her and that that witness had kept silent because she was afraid of being ill-used by the provincial police, and that is why she said nothing until yesterday—

[*Text*]

Mr. Speaker: Order, please. The purpose of having authorities and rules is to prevent unlimited discussion, and we seem to be developing that type of discussion at the present time. The minister must assume his own responsibility. He has given a statement to the house, and I think the matter should be left there.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, may I ask another supplementary question?

I should like to ask the Solicitor General whether his department would consider taking the appropriate steps ordering a complete inquiry on the new developments and postponing Georges Marcotte's execution until this inquiry is completed?

Canadian Flag

[*Text*]

Mr. Reid Scott (Danforth): Mr. Speaker, I wanted to ask the Prime Minister a supplementary question on this same line. Would he give consideration, so that we will not have to be constantly worrying about saving people's lives, to letting the house call a vote on order No. 44, in my name, to abolish capital punishment?

[*Later:*]

[*Translation*]

Mr. Paul: Mr. Speaker, I should like to direct a question to the Minister of Justice. Could he tell us whether it is true that, as far as he is concerned, the fact of not hanging Georges Marcotte would have the effect of establishing the principle of abolition of capital punishment in Canada?

[*Text*]

Mr. Speaker: This question, I am sorry to say, is out of order.

CANADIAN FLAG

PETITION NOT IN ORDER AND NOT RECEIVED

Mr. Speaker: I have the honour to inform the house that the Clerk has laid upon the table the tenth report of the clerk of petitions.

With regard to the report of the clerk of petitions I must declare that the petition cannot be received for the following reasons: (1) It is not addressed to the House of Commons in parliament assembled; (2) it is not in the form required by standing order 70; (3) it does not conclude with a prayer; in this connection see Beauchesne's fourth edition, page 256, citation 332; (4) it is not endorsed by a member of the house—see Bourinot's fourth edition, page 233; and (5) it is not dated.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, on a point of privilege I wish to congratulate the Clerk on unrolling a 75 foot petition and finding it is not in order. I shall bring it in in an amended form to see it is correct.

FOOD AND DRUGS

CONCURRENCE IN THIRD REPORT OF SPECIAL COMMITTEE

Mr. H. C. Harley (Halton) moved that the third report of the special committee on food and drugs, presented to the house on Monday, June 29, be concurred in.

Motion agreed to.

[Mr. Grégoire.]

TOBACCO RESTRAINT ACT

REPEAL OF LEGISLATION RESPECTING USE BY JUVENILES

Mr. Ralph Cowan (York-Humber) moved for leave to introduce Bill No. C-107, to repeal the Tobacco Restraint Act.

Some hon. Members: Explain.

Mr. Cowan: Mr. Speaker, the purpose of this bill is to repeal an act which has been on the statute books since 1908 and which makes it an offence for a person to be about to commit an act. I do not believe we should exercise thought control in that manner.

Motion agreed to and bill read the first time.

FORESTRY AND RURAL DEVELOPMENT

PROVISION FOR CONSTITUTION OF NEW DEPARTMENT

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to constitute the department of forestry and rural development to be presided over by a minister of forestry and rural development who shall be appointed under the Great Seal of Canada; to authorize the appointment of a deputy minister by the governor in council and of such other officers, clerks and employees, as are necessary for the proper conduct of the business of the department, in the manner authorized by law; and to provide for the transfer of certain members of the staffs of the departments of forestry and of agriculture to the new department.

Motion agreed to.

DOMINION-PROVINCIAL RELATIONS

PROVISION FOR REVISION OF FISCAL ARRANGEMENTS AND TAXATION PROVISIONS

Hon. Mitchell Sharp (for the Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

Motion agreed to.

EXTERNAL AFFAIRS

CYPRUS—REPORTED SECRET LANDING OF GREEK TROOPS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would ask the Secretary of State for External Affairs to bring the house up to date on the Cyprus situation. In particular, is there any foundation for press reports to the effect that 4,000 Greek troops have landed secretly on the island? If this is so, will this unexpected development have any effect on the continuance of the United Nations force and the Canadian presence in that force?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the situation in Cyprus is certainly not free from serious concern. The secretary general of the United Nations was in touch this morning with our representative at the United Nations. I was in touch with the secretary general before Sunday last, following the talks I had with the prime minister of Greece and the prime minister of Turkey. The secretary general of NATO is in Ottawa today and we are glad to have the opportunity of discussing this matter with him, particularly in view of his visit on June 4 to the governments of Greece and Turkey.

I cannot say whether the press reports mentioned by the Leader of the Opposition are exactly in accordance with the facts. There are reasons for believing, however, that there have been importations of one kind or another. Beyond that I do not want to go at this time.

Mr. Diefenbaker: Oh?

Mr. Martin (Essex East): When I say I do not want to go beyond that, the right hon. gentleman will know in a matter of this delicacy that there are some things which should not be said until there has been complete verification. In view of my responsibilities I do not propose to make statements unless I am sure they represent the facts.

However, I will say that the introduction of regular army units by one or both sides involved in the Cyprus dispute would be contrary to the security council resolution of March 4, which calls upon all member states to refrain from any action likely to worsen the situation. It would be contrary also to the obligations undertaken by all members of NATO. If such regular forces from the mainland were introduced on Cyprus a new and dangerous situation would be created for the United Nations peace keeping force, as it has neither the mandate nor the strength to interpose itself between large, well equipped forces if hostilities should break out. Indeed, the force was not established for that purpose.

In my discussions with Prime Minister Inonu and Prime Minister Papandreou last week I stressed our concern over the possibility of such a development. I stressed the responsibilities of both Greece and Turkey to abide by their obligations to the United Nations and to NATO.

Our mission to the United Nations in New York has been instructed, as I have already indicated, to keep in close and continuous contract with the United Nations secretariat in order to make known our concern about the position of the Canadian contingent in the peace keeping force, because of the possibility that additional troops are being landed on Cyprus from the mainland. The Canadian forces participating in the United Nations peace keeping operation are under the command of the United Nations commander pursuant to the security council resolution of March 4. Any action taken by Canada will be as a member of the United Nations force.

Mr. Diefenbaker: Mr. Speaker, not only apparently is the matter very delicate, but after the verbose explanation by the minister I am sure the house knows less now than it did when the question was asked.

I should like to ask the minister this. When he had the conversation with the prime minister of Greece, did he have any indication that the Greek government intended to send any troops into Cyprus? I am rather surprised that the minister, after 48 hours, was unable to give any information as to whether these troops are there when all the influential press indicate that they are. However, I should like to ask the minister again, what was said in this regard? Was there any suggestion that such an eventuality would arise that would cause the Greek government to send troops?

Mr. Martin (Essex East): I am not going to be tempted in a matter of this importance to reply in kind. I regret that the right hon. gentleman should seek to ask questions which I do not believe are in the national interest or in the interests of preserving peace on that island.

Mr. Monteith: Oh, come off it.

Mr. Diefenbaker: That is utter nonsense.

Mr. Martin (Essex East): My hon. friend may not agree, but I must say that the hon. gentleman surprised me, particularly having in mind that he once held the post of prime minister of this country. There was nothing in our conversation in the way of an admission that Greek soldiers were participating or were infiltrating into Cyprus, as is implied in my right hon. friend's question.

Mr. Diefenbaker: In view of the gratuitous observation, may I say to the hon. gentleman that the manner in which he carries out his responsibilities in parliament is not in keeping with his responsible role in this government.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask the Secretary of State for External Affairs if he ascertained from the prime minister of Greece or from the secretary general of the United Nations the exact status of General Grivas, who states he is not accepting any official post in the Cyprus government and who is attached to the defence department of Greece, yet who the other day addressed a mass rally in the presence of Archbishop Makarios and announced what was virtually an ultimatum to Turkist Cypriots. What is General Grivas' status, and is he there with the consent and agreement of the secretary general of the United Nations?

Mr. Martin (Essex East): The secretary general of the United Nations has, of course, no authority over the movements of an individual from one country to another. General Grivas is not in Cyprus with the consent of the United Nations, nor has his presence been formally opposed. The relations between General Grivas and Archbishop Makarios may be a matter of conjecture; I have my own views, but I do not believe that at this time it would be in the public interest to state those views.

Mr. Douglas: Could I ask the Secretary of State for External Affairs whether the intervention of General Grivas, who I understand is attached to the national defence department of Greece, is consistent with the resolution of the security council of the United Nations.

Mr. Martin (Essex East): I would not wish to answer that question specifically at the moment. I do not believe the general's statement is contrary to the resolution as such. Whether it is conducive to tranquility on the island may be a matter of opinion; there are arguments both ways. General Grivas has made an appeal not only to the Greek but also to the Turkish Cypriots involving an assurance of amnesty. This could be conducive to a relatively more satisfactory situation. It remains to be seen, however, what will be the full consequences of his statement.

The hon. gentleman will understand, I am sure, that in a matter of this kind it is neither possible nor desirable to expose fully one's knowledge and information or, what has been done in the situation. I assure the hon. member that the government is deeply concerned, as are members of the North Atlantic Treaty Organization and the secretary general of the United Nations. Every step is being taken by all these bodies to avoid exacerbating a difficult situation in Cyprus.

Mr. Douglas: Can the Secretary of State for External Affairs tell us whether the Canadian government has expressed its concern about the activities of General Grivas to the secretary general of the United Nations for transmission to the government of Cyprus?

Mr. Martin (Essex East): There has, of course, been the fullest consultation in all matters involving the maintenance of peace on the island.

MALAWI—CANADIAN ATTENDANCE AT INDEPENDENCE CELEBRATIONS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I have a question for the Secretary of State for External Affairs. Will Canada be represented at the independence celebrations of the new state of Malawi next Saturday?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, sir.

CONGO—SAFETY OF CANADIANS FOLLOWING UN FORCE WITHDRAWAL

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I should like to ask the Secretary of State for External Affairs a question. Has he any further word to give the house concerning Canadians in the troubled area of the Congo? I understand the minister has constituents who have relatives in this area, as have I, and I was wondering whether there was any further information available.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I regret there is no further information. I am happy to say that some of those who were missing

have been located in Albertville, but the exact location of the others has not been determined.

PARLIAMENT HILL

REQUEST THAT R.C.M.P. IN ATTENDANCE BE BILINGUAL

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, my question is intended for the Prime Minister and follows up two questions I have already asked on the same subject during the past month.

Could the Prime Minister tell us what progress has been made in his investigation concerning the bilingualism of R.C.M.P. officers on parliament hill and whether he will try to get bilingual officers to attend to the many tourists who take in the house sittings every day?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I must say that, having already been asked a question about that, I had a talk with the commissioner of the R.C.M.P., who told me that, inasmuch as it would be compatible with priority assignments of members of the mounted police, every effort would be made to ensure as complete and consistent a bilingual service as possible.

Mr. Grégoire: A supplementary question, Mr. Speaker. Is the minister aware that, yesterday, as thousands of tourists came to parliament hill, the majority of members of the R.C.M.P. who were there to greet them did not speak a word of French?

[*Text*]

USE OF WORD "DOMINION" IN DESCRIPTION OF HOLIDAY CELEBRATION

On the orders of the day:

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I wish to put a question to the Secretary of State. Can he tell us why the official program of yesterday's brilliant celebration on parliament hill had in it the words "celebration of Dominion day" when Canada is no longer a dominion?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I shall inquire of the people responsible for that publication and report later.

[*Text*]

[*Later:*]

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of Citizenship and Immigration. If I might, I should like to congratulate him and through him his other colleagues who were involved in the very interesting Dominion day ceremonies yesterday. Can he say whether he and his colleagues have been able to arrange that the spectator stands be allowed to remain in position for the summer so that visitors may watch the colourful and entertaining changing of the guard ceremony?

DOMINION-PROVINCIAL RELATIONS

PROVINCIAL PARTICIPATION IN CURRENT ECONOMIC STUDY

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to direct a question to the Prime Minister.

Does the government intend to invite the provincial governments to take part in the investigation which he is planning on the economic ties uniting the various parts of Canada?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. This inquiry is being made by certain experts of the Canadian government for the Canadian government.

POWER

COLUMBIA RIVER—U.S. MEMBERSHIP ON BOARD OF REVIEW

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Secretary of State for External Affairs. In view of the announcement by Dr. Hugh Keenleyside, chairman of the B.C. hydro and power authority, that a five man Columbia board of review is being appointed to review the designs, sites, selection of construction material and plans for Mica, Arrow and Duncan dams in the Columbia basin, and in view of the fact that three of the members of this board of review are United States citizens and none are B.C. citizens, has the minister any information to give the house with respect to this most unusual announcement?

Hon. Paul Martin (Secretary of State for External Affairs): This is obviously a question which should be addressed to Dr. Keenleyside and the government of British Columbia.

Mr. Herridge: A supplementary question to the Secretary of State for External Affairs. Does the hon. gentleman agree with this type of action on the part of the British Columbia hydro and power authority as a result of which three senior engineers of the United States will be in a majority with respect to all these considerations affecting the Columbia?

Mr. Martin (Essex East): I am sure that, as a distinguished citizen of British Columbia, the hon. gentleman would be the first to criticize me if I were to comment on actions taken by the government of British Columbia in matters which come within its exclusive competence.

[*Later:*]

Mr. Herridge: Mr. Speaker, I wish to address another question to the Secretary of State for External Affairs. In view of the assurances given by him to the committee on external affairs that the sites of the dams were the best, that the construction costs were definitely known, and that the safety of the dams was known and satisfactory, would the minister inform the house whether he thinks it is necessary for the government of British Columbia to call in three United States engineers to clarify his assurances and to make sure he was giving the committee the facts?

Mr. Martin (Essex East): Mr. Speaker, whatever might be my views or those of the hon. gentleman, this is a matter that does not arise under the responsibility of the government of Canada or the parliament of Canada. This is a matter for the province of British Columbia under section 92 of the British North America Act.

Mr. Herridge: As one more supplementary question, does the committee appointed by the B.C. hydro and power authority supersede the permanent engineering board on the Columbia?

Mr. Martin (Essex East): Of course not, Mr. Speaker. The one is an obligation that arises out of the treaty and the protocol. The other is a subject that arises out of the discretionary use of the provincial authority.

[Mr. Herridge.]

INQUIRY OF THE MINISTRY

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I direct a question to the Minister of Labour?

Could the minister tell the house whether it is true that the federal government, in conjunction with the Liberal government of the province of Quebec, directly supports the management of the newspaper *La Presse* in its dispute with the employees, in order to make that newspaper the official organ of the Liberal party?

[*Text*]

Mr. Speaker: Order. This question is surely out of order.

INDUSTRY

TIMMINS—PROCESSING OF ORE FROM NEW MINING DEVELOPMENT

On the orders of the day:

Mr. M. W. Martin (Timmins): Mr. Speaker, I have a question I would like to direct to the Minister of Industry. I regret not having sent him notice, but my secretary is on holiday; I have not had a replacement, and I am not a very good typist myself. My question arises out of the recent announcement with regard to the ore strike in Timmins, to the effect that this ore will be shipped to North Carolina for processing.

In view of the fact that the Timmins area has been listed by the government as a designated area, and in view of the growing need to encourage and stimulate employment in Canada and more particularly in such designated areas, could the minister inform the house what action his department or the government is taking to ensure that a smelter will in fact be built in the Timmins area to process the ore from this strike, which has been estimated to be in the neighbourhood of 300 million tons?

Mr. Speaker: This is a question for the order paper.

Mr. Martin (Timmins): Mr. Speaker, in view of the importance and urgency of this matter I would like to have it transferred for debate at 10.30 tonight.

LABOUR RELATIONS

NON-OPERATING RAILWAY EMPLOYEES—INQUIRY AS TO CONCILIATION BOARD REPORT

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to direct a question to the Prime Minister. In view of the meeting today of the presidents of the C.N.R. and the C.P.R. with the Prime Minister, could the Prime Minister tell the house whether the railways have rejected the recommendations of the conciliation board in the dispute between them and the non-operating railway brotherhoods; and if so, what action does the government propose taking to avoid a railway strike?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there was no question of rejection, in the discussion with the railway presidents, of the award made by the Munro commission.

Mr. Orlikow: Mr. Speaker, I have a supplementary question I would like to ask the Minister of Labour. Have the railways informed the government whether they have rejected or accepted the conciliation board report?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have received no notification of rejection or acceptance from the railways.

DISMISSAL OF CANADIAN SAILORS BY IMPERIAL OIL CO.

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Labour. Has his attention been drawn to the case of the ship *Imperial St. Lawrence* belonging to a wholly-owned subsidiary of Imperial Oil, which plies between Venezuela and Canada, which apparently docked at Portland, Maine and laid off the entire Canadian crew of 28 men, 14 of whom have been absorbed on other ships of the company and the remainder dismissed on the ground that their salary of $300 a month was too high and West Indians could be hired for $140 a month? I want to ask the minister whether he will look into this case and what action, if any, the government proposes to take to deal with such vicious treatment of seamen on a Canadian ship.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, this case has been drawn to my attention, and I have asked the officers

of the Department of Labour to investigate to see whether any constructive steps have been taken in the situation.

Mr. Douglas: A supplementary question. Will the minister be reporting to the house as to what action the government proposes to take in regard to this matter?

Mr. MacEachen: Yes, Mr. Speaker. I will determine through this investigation whether there is any possible way in which we can intervene.

CANADIAN FLAG

REPORTED SUGGESTION BY FINANCE MINISTER RESPECTING DESIGN

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Prime Minister. Yesterday in London the Minister of Finance, when questioned about the proposed new flag, suggested that it would be a three maple leaf design on a white background with gold bars. I am wondering whether the colour and the design have been changed.

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker.

Hon. Léon Balcer (Three Rivers): A supplementary question, Mr. Speaker. I would like to ask the Prime Minister whether the navy flag, the army flag and the R.C.A.F. flag are going to be replaced once the new flag is adopted by this house, or are the services going to continue flying the same flags that they have at the present time?

Mr. Pearson: That question surely is premature, Mr. Speaker, until we reach a decision on what the national flag will be.

FISHERIES

REPORTED U.S. INTENTION TO CALL WORLD CONFERENCE

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Fisheries. It is based on an Associated Press dispatch from Seattle in this morning's *Globe and Mail* covering a statement made by Senator Warren G. Magnuson. I would like to ask the minister whether the government has been informed of plans by the United States to call a world fisheries conference, including the Soviet union, for March or

April of next year; and if so, has Canada been invited to participate in such a conference?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, we have no knowledge of any such proposal. If the government received such a request from the United States, it would have to be considered.

SHIPPING

MEASURES TO CONTROL WATER LEVELS IN GREAT LAKES

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I wish to direct a question to the Minister of Northern Affairs and National Resources. Is the government prepared to take the steps required to regulate and control the water level in the great lakes in agreement with the provinces and the American states, as advocated by his parliamentary secretary in Montreal last Tuesday?

[*Text*]

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, what was indicated by my parliamentary secretary in Montreal was that discussions are going to be stepped up in this very important matter. It would be entirely premature to say now what action will be taken, but certainly this matter is before the public, it is regarded as a matter of urgency, and I think the I.J.C. probably will be taking a leading part at an early date.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. In view of the intention of the government to refer general problems of water levels to the international joint commission with a view to examining the whole problem of the great lakes basin, will the government consider independent action with relation to the problems of lake Huron, which the conference assumed were much greater than those in other areas?

Mr. Laing: Mr. Speaker, all these matters are under active survey at the present time, and have been for several months.

[Mr. Barnett.]

COMMONWEALTH RELATIONS

PROPOSALS RESPECTING ASSISTANCE TO UNDERDEVELOPED COUNTRIES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, with the approach of the commonwealth prime ministers' conference I should like to ask the Prime Minister what attitude he will take on behalf of the Canadian people regarding the suggestion made by Prime Minister Douglas-Home that the commonwealth should develop a system of technical assistance for underdeveloped countries within the commonwealth on a general rather than a bilateral basis. Also, what would be his attitude regarding the setting up of a commonwealth loan and development fund to enable assistance to be given to countries within the commonwealth, and thereby assure their economic advancement?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as to the first question, as my right hon. friend knows there is already effective machinery for technical and other forms of assistance within the commonwealth, and proposals which may be made at London to increase that assistance or to increase the effectiveness of the machinery will be given very sympathetic consideration by the Canadian government, having regard to the fact that we are already committed to assistance through the United Nations and in other ways.

As far as the second question is concerned, this proposal will certainly be given very sympathetic consideration, but again we would have to relate that to the forms of assistance we are already giving through the United Nations and through other sources.

REDISTRIBUTION

INQUIRY AS TO REPRESENTATIONS FROM SASKATCHEWAN

On the orders of the day:

Mr. K. H. More (Regina City): Mr. Speaker, I should like to direct a question to the Prime Minister and ask him whether the government of Saskatchewan or Premier Thatcher has shown any concern or made any representations to him regarding the effect of the proposed redistribution on the representation from Saskatchewan?

Right Hon. L. B. Pearson (Prime Minister): Not to me, Mr. Speaker, but I will have to make inquiries whether he has made any representations to any of my colleagues.

SOCIAL ASSISTANCE

SASKATCHEWAN—PROPOSED REQUIREMENT THAT RECIPIENTS WORK FOR AID GIVEN

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, might I ask the Prime Minister whether Premier Thatcher has made representations to the government to the effect that unemployed people should be engaged in profitable work; and what is the attitude of the federal government to the latest view enunciated by the new premier of Saskatchewan in this regard?

Right Hon. L. B. Pearson (Prime Minister): No such representations have been made to the government, Mr. Speaker.

POST OFFICE DEPARTMENT

SUGGESTED STAMP DEPICTING RED ENSIGN

On the orders of the day:

Mr. C. E. Millar (Middlesex East): Mr. Speaker, my question is directed to the right hon. Prime Minister. Will the government give consideration to producing a Canada postage stamp depicting the red ensign?

Right Hon. L. B. Pearson (Prime Minister): I will be glad to discuss this with the Postmaster General, Mr. Speaker.

Mr. Millar: I have a supplementary question, Mr. Speaker. In view of the fact that the government used this method of advertising their own design, does the Prime Minister not think they should do this, in fairness to the people of Canada?

Some hon. Members: Order.

Mr. Speaker: Order. This question is out of order.

THETFORD MINES, QUE.—CONTRACT AWARDED TO HIGHER TENDER

On the orders of the day:

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I rise on a question of privilege. My question of privilege at the moment is twofold. First of all, I do not want to cast any reflections on the house but I would ask the Speaker to cast his eye a little further over this way, because I have been trying to get recognized for three quarters of an hour. I have been the only one recognized in our group except the hon. member for Lapointe, and I was not recognized on three supplementaries.

My question of privilege arises from the statement of the Postmaster General on Tuesday, June 30, 1964, relating to a question I had raised in this house the day before. The Postmaster General has asked me to withdraw the words I used, namely:

> I agree, Mr. Speaker; the only thing I should like to get clear is that if the minister does not clarify the point he either lied to me or he is completely incompetent to do the job—

I must admit, Mr. Speaker, that the minister has clarified the point, and I hope no more contracts will be transmitted from father to son when they are on crown business.

Some hon. Members: Withdraw.

PENSIONS

CANADA PLAN—ADOPTION OF CONSTITUTIONAL AMENDMENT—PRODUCTION OF WHITE PAPER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Has the government ascertained whether the parliament at Westminster has yet passed the amendment which we requested to the British North America Act with respect to the inclusion of survivors' and other benefits in the Canada pension plan?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, but as a result of inquiries made over the week end we have been informed that the cabinet at Westminster are considering the matter this week with a view to finding time in their parliamentary schedule so this matter can be dealt with before the end of July.

Mr. Knowles: A supplementary question, Mr. Speaker. Can the Prime Minister give this house the firm assurance that the legislation respecting the Canada pension plan will be proceeded with and concluded during this session of parliament?

Mr. Pearson: It will certainly be proceeded with during this session of parliament, Mr. Speaker, but I cannot give an assurance that it will be concluded. We will certainly attempt to have it concluded.

Mr. Diefenbaker: Bring it on before the flag question.

Mr. Knowles: Will it be called early in any fall part of the session which may take place?

Mr. Pearson: That is our intention.

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I have a question along the same lines for the Minister of National Health and Welfare. Can the minister tell us whether a target date for the issuance of the white paper covering the national pension plan has been set and, if so, what that target date is?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, it will be introduced in the house just as soon as it is available. We anticipate that this may well be next week, although I cannot give a definite date at the moment.

FINANCE

INQUIRY AS TO REVISION OF BANKRUPTCY ACT

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Are the officials in his department considering at the present time the amendments that could be made to the Bankruptcy Act?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, the Bankruptcy Act is being actively examined by the Department of Justice.

[*Text*]

YOUTH ALLOWANCES

PROVISION FOR PAYMENT BETWEEN AGES OF 16 AND 18

Hon. Judy V. LaMarsh (Minister of National Health and Welfare) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to provide for the payment of allowances of $10 per month to parents in respect of dependent youths between the ages of 16 and 18 years who are maintained by such parents and are attending school or university or are precluded from so attending by reason of disability.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

Resolution reported and concurred in.

Miss LaMarsh thereupon moved for leave to introduce Bill No. C-108, to provide for the payment of youth allowances.

Motion agreed to and bill read the first time.

[Mr. Diefenbaker.]

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed, from Tuesday, June 30, consideration of the motion by Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty George V on November 21, 1921—three maple leaves joined on one stem—in the colours red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And the proposed amendment thereto of Mr. Diefenbaker.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, at 10.30 p.m. on Tuesday I had suggested to the house a formula for the selection of a flag by means of a plebiscite, giving to the people five distinct choices. I contended that by this formula the final choice would be the design that received the largest number of votes. That is the preferential system. I also suggested that by using this method no hint of partisanship would remain like a dry and bitter ash once the fires engendered by this debate had died away.

In the remaining time left to me I wish to comment on a letter sent by special delivery mail and addressed to the Prime Minister, from 12 distinguished Canadians of varying academic disciplines and the professions. I suggest their views have been dismissed out of hand by the Prime Minister as being of no consequence. Their position, however, has been endorsed by the editor of the Canadian *Commentator* and also by several other academics and people of good will.

I suggest that the core of the trouble with the way the Prime Minister has attemped to foist his flag upon us is that little or no attention has been paid to the thoughtful efforts of interested Canadians to remind the government of the traditions which should be embodied in any design for a flag. I submit, Mr. Speaker, that rather than engendering in Canada any fervent feeling of patriotism and pride, the new flag will only produce a yawn of indifference.

Patrick Duncan, in writing of Jan Christian Smuts, the last statesman of South Africa, said something which I think might be applied with remarkable exactitude to the Prime Minister. He said:

I only wish I thought that his fine sentiments were more intimately hitched on to the springs which govern his actions. They do sometimes get turned on, but they spend much of their time in the cupboard of his soul.

The cupboard of the Prime Minister's soul has been a crowded and confused place of late as he repudiates those traditions of scholarship which were his first vocation.

I want to be very frank, Mr. Speaker. I am not at all convinced, or have not been convinced as yet by any argument I have heard, that the new flag will be a source of national unity; and if it is not that it is nothing. I am not all convinced that by tearing up the past we will in fact be adopting any formula which will bring inspiration to most Canadians in the future.

Most of the letters which have been sent to me by hundreds of my constituents are very reasonable about the flag. These letters show a remarkable desire for compromise, in that they indicate support for any flag which would include symbols representative of the best traditions of both the founding races. Obviously in my part of Canada these symbols would include the union jack, but are we about to turn our backs on this evidence of good will and select a flag which is neither a source of national unity nor unmistakably Canadian in character? Are the people I represent to be deprived of all their traditions and find a substitute is not even acceptable to their partners in other parts of Canada?

The letter to the Prime Minister puts it this way:

> The very essence of this country's history, and the reason for our national distinctiveness, has been the long and often turbulent marriage of French and English heritages. We have faith that in their depths Canadians pride themselves on this union, and on its parliamentary and non-revolutionary tradition. Canada has a continuous history of 350 years of French speaking and English speaking life together in North America, and 200 years of union. The creative tension between the two founding peoples has been a guarantee to other racial groups of their continued identity, in contrast to the American concept of the melting pot. These are the positive facts of our history; we cannot change them; they give Canada its sinews. The nation is strong enough to face its own past proudly, and to assert it. Whatever may be said about the use of the maple leaf as a Canadian emblem in the past, it has never gained anyone's vigorous allegiance, and it involves no commitment to the human fact of Canada.
>
> We believe that Canada has a distinguished culture of its own. We believe that this is a positive culture. We believe that the basis of this positive culture is a frank acceptance of both the English Canadian and French Canadian civilizations. We believe that a distinctive Canadian flag should reflect this positive fact.

It is not enough, I suggest, to use a flag to get rid of something, to repudiate the task or to deny the facts of history. We in Canada are becoming a nation of jellyfish, to use an expression of the late Dr. Sidney Smith. In an interesting speech at the University of New Brunswick in 1962 Dr. Frank Underhill recalled the suggestion made in 1865 by Henri Joly de Lotbinière, who proposed the adoption of the rainbow as our emblem. Dr. Underhill said that he himself "sometimes played with the idea of submitting his own design for a national flag to the authorities. It would consist of a green maple leaf in the centre, surrounded by Joly's multicoloured rainbows, the whole upon a background of pure white to signify our Canadian innocence of colonialism, imperialism, unitarianism, Americanism, capitalism, socialism and all the other 20th century sins."

The design proposed in the resolution before us, Mr. Speaker, is neither positive nor affirmative. It is an artificial attempt to honour an election promise hastily made. It is devious in that a palliative or sop is being offered in an obscure way by means of a second resolution to those whose views on flags can never be reconciled to the otherwise acceptable position taken on various aspects of policy by the government. Perhaps in the short run the new flag will find acceptance in Quebec but I predict that before too many years have passed it will be ridiculed and turned aside because of its utter failure to incorporate anything of the French heritage in its design. Pierre Elliot Trudeau is quoted in the Toronto *Star* of June 12 of this year as having said:

> Quebec doesn't give a tinker's damn about the new flag. The flag is a matter of complete indifference in Quebec.

The Prime Minister must bear the heavy responsibility of forcing the flag to become a contentious party issue. His sense of timing, I suggest, is little less than appalling. His sense of history is non-existent. His sense of magnanimity is totally absent. So, Mr. Speaker, both the founding races are going to be the ultimate losers if this new traditionless and septic flag is adopted, a flag proposed by a minority government because the latest techniques of opinion making falteringly urge it on.

What a sordid place this parliament has become. How denuded of any sense of relevancy. We who are asked by the vast majority of our constituents to stand by and honour our heritage are derided as somehow being against Canada itself.

I wish to end by recalling again the appeal to realism in politics by the group of seven young French Canadian intellectuals who are able to understand a concept beyond the

narrow provincialism which is so much and so unfortunately a part of our land. They say:

> The most valid trends today are toward more enlightened humanism, toward various forms of political, social and economic universalism. Canada is a reproduction on a smaller and simpler scale of this universal phenomenon. The challenge is for a number of ethnic groups to learn to live together. It is a modern challenge, meaningful and indicative of what can be expected from man. If Canadians cannot make a success of a country such as theirs, how can they contribute in any way to the elaboration of humanism, to the formulation of the international political structures of tomorrow? To confess one's inability to make Canadian confederation work is, at this stage of history, to admit one's unworthiness to contribute to the universal order.

Miss Jewett: May I ask my hon. friend a question with regard to the earlier part of his remarks on Tuesday? I was very interested in his proposal to have five questions on a referendum. I wanted to ask my hon. friend if he would envisage the use of some kind of preferential voting system whereby one would knock off the least popular, the one that received the fewest first choices, then give the second choices to the others and gradually in that way build up to the one most popular choice.

Mr. Fairweather: If my hon. friend had been gripped as she should have been by my first remarks this afternoon she would have noticed that I used the phrase "preferential system". That is what I implied in my suggestion.

Miss Jewett: May I ask one more question?

An hon. Member: Not an argument.

Miss Jewett: No, just a question. I am really interested in knowing what the hon. member would do if some people only put down one choice. As my hon. friend knows, the provinces of Manitoba, Alberta and British Columbia used a preferential voting system, and that was why they abandoned it. People tend to plump for one thing. They only give one preference, with the result that you might get 20 per cent, 15, 15, and 20, with no majority at all. What would my hon. friend do in that case? How would he get them to put down their choices?

Mr. Fairweather: I cannot presume to speak for the people of Canada on how they would vote or not vote on what to me is a reasonably simple selection of five alternative choices. If people want to use the system known in New Brunswick as the plumper I have no real criticism of that system.

[Mr. Fairweather.]

Mr. Joseph P. O'Keefe (St. John's East): Mr. Speaker, I have been a Canadian for just over 15 years, and my feeling is that too much has been made in Canada of issues that tend to divide when the emphasis should be on the things all Canadians have in common, the things that should help, even impel, us to unite. If I did not believe with all my mind that a truly Canadian flag would help to unite all Canadians, particularly all future Canadians, I could not in conscience support this resolution. We must look at this flag not only with our eyes but with our intelligence and our imagination.

I feel that new Canadians in Newfoundland see this flag situation in a better perspective than may be available to others; and these new Canadians, nearly 80,000 of whom are my constituents, are asking this question and are waiting for an intelligent and satisfactory answer. Should the flag be an issue? I think it should, even although this government's decision and solution may be regarded by some as a political compromise. Even if that view is correct, what is wrong with this kind of a solution? It has been tried successfully all through history.

A distinctive flag is adopted for the purpose of international recognition. I am confident that it will, in time, become a truly national symbol. There is a good argument in favour of this resolution which those who prefer the red ensign and the union jack may acknowledge, since they are not denied the right to fly a flag of their own sentimental preference. On May 20 I signed a telegram addressed to my Newfoundland constituents which read:

> I am prepared to support a national flag which cannot be mistaken for the emblem of any other country, provided official recognition is also given to the union jack as a symbol of Canada's membership in the commonwealth and of our loyalty to the crown.

I believe, with all the sincerity of which I am capable, that now is the time for Canadians to fly a flag that is truly distinctive; a flag easily recognizable as Canada's own, easily identifiable; a flag that cannot be mistaken for the symbol of any other country; a flag for our Canadian future which recognizes and honours the past; a flag that has little new but contains all the best of the old. This, I believe, the new flag does.

May I emphasize that when I made my decision on this matter it was not necessarily my own, personal preference. I attempted to make a choice, not for myself, indeed not just for my constituents in Newfoundland but, as a member of parliament should, for the whole of Canada. I have always accepted and indeed,

as a Newfoundlander, supported the union jack and, as a Canadian, the red ensign. But when there was, as there is, presented to parliament a flag which I believe to be more representative of Canada and Canadians as a whole, especially when looking into the future, then I gave, and I am giving my support to the adoption of this flag.

I happen to be a Roman Catholic of Irish descent. Despite the quietening effect of the passing years, memories of old world strifes, of wrongs and of bitter oppression are not easily forgotten. We still read history. There are those of us who remember. My Irish forebears gave up most of their possessions to live in rugged Newfoundland, where living has never been easy. In many cases, even here oppression and bigotry followed them. Where indeed, a little more than 100 years ago it was a crime to even live. Great and heroic men took part in the early colonization of my island, and the glory which their names shed on its history should never be forgotten. A knowledge of the changes, the struggles and the suffering through which my people of Newfoundland passed can never fail to be one of deep and abiding interest.

It may be of some interest to our Quebec friends to know that there was a time when Newfoundland actually helped to save not just Quebec but Canada. It was late in the eighteenth century, when in a moment of crisis, with the American invaders at the gates of the city of Quebec, Captain Colin Campbell of the volunteer force known as the royal highland emigrants sailed to St. John's. There, in spite of other demands on the island's manpower for the defence of the port, he succeeded in rallying 180 men to his cause. Quebec was then only a town of 1,000 people and was defended by 100 volunteers. They faced much superior forces from the United States led by Benedict Arnold and Richard Montgomery. Talk of surrender filled the town; in fact all seemed lost until 130 of the Newfoundlanders arrived on the day before Arnold's men appeared at Levis across the river from Quebec. History records Lanctot as saying:

> Without the added strength of these 130 fighters —the recruits were all such to a man—the town might have capitulated for an active movement was on foot advocating friendship with the Americans.

The Newfoundlanders made all the difference and Lanctot ended his paper by saying:

> Now that Newfoundland has joined the Canadian confederation, it is doubly worthy to recall that the two oldest British colonies have in common the pride of having joined and fought to save Canada from foreign domination.

No one would deny that we have a tradition and a responsibility to the past. But we have also a greater responsibility to the present and to the future. I suggest that responsibility to the past would be best fulfilled by our being true to its real substance and its meaning. Like many others I am concerned about this whole question of national symbols, national anthems, a national flag and all they mean to our country. Yet I am far more concerned with making Canada the kind of country where injustice, grinding poverty, and so on to the best of our ability have been vanquished and where freedom, social justice and equal opportunity for every Canadian can be found, the kind of country which may be proud to have a flag fly.

The union jack will not be abolished, any more than the union jack was abolished when the red ensign was adopted. Canadians, Newfoundlanders or anyone else, cannot be forced to fly any flag. I expect to see the union jack flown now more than at any other time in our history. I can understand the British feelings of the wonderful ladies of the I.O.D.E. I can understand the intensity of the emotion of our gallant war veterans, so honoured in war and so often forgotten in peace. I am not a war veteran. I did enlist, but I was rejected.

I might point out, too, the experience of one of the newest states of the United States, Hawaii. This state, as you know, was at one time British. It is now part of the United States, yet the union jack still proudly flies over all the public buildings in this state.

In my opinion the flag issue will move along these lines. Our new flag will be adopted. This resolution will be passed. Within 50 years, or perhaps much sooner, it will be considered rather odd, rather quaint that Canadians ever lived under a flag that could be confused with that of another country. What will be remembered is that this Prime Minister, Right Hon. Lester B. Pearson, of whom so many of us are so very proud, did the job when Sir John A. Macdonald, Sir John J. Abbott, Sir Mackenzie Bowell, Sir Wilfrid Laurier, Arthur Meighen, Mackenzie King, Alexander Mackenzie, Sir John Thompson, Sir Charles Tupper, Sir Robert Borden, R. B. Bennett, Louis St. Laurent and John Diefenbaker did not. It is no easier for him now than it would have been for them. It is my earnest hope, indeed my sincere conviction, that under this distinctive and truly Canadian flag, in which is contained little new and only the best of the very old, Canadians will eventually, at long last, unite.

Canadian Flag

Mr. W. M. Howe (Wellington-Huron): Mr. Speaker, I deem it my duty as a member of this house and as the elected representative of the constituency of Wellington-Huron to speak against this resolution and in favour of the amendment calling for a plebiscite.

First, however, I should like to take this opportunity to join other members in the house who congratulated the Minister of Public Works and his department on the beautiful arrangement and display of flags we saw about the lawns of parliament hill for our Dominion day celebration. I cannot but feel that any Canadian who saw that display was proud of that beautiful flag flying as it was yesterday and the day before. I cannot really believe there are many Canadians who would not like to see that display left for the summer period during which the guard is changed in that fine ceremony every morning of the week. Those flags make a beautiful background to the ceremony. The red ensigns, the red coats of the guards and the green grass make a combination of which we can be very proud. I cannot but think that a great many of the people who saw that flag flying did not have in their hearts the hope that it would fly permanently as Canada's distinctive national flag.

Therefore I should like to add my views to those of all hon. members who have spoken before me to plead with the Prime Minister and the government to reconsider the course of action which has been advanced. That course was outlined in the words of the right hon. gentleman when he said "In any event, when the matters I have mentioned are dealt with we shall return to the flag resolutions, and the debate on those resolutions will be continued until a decision is reached".

This reminds me very much of another parliament and another extended debate. I refer to the defence production debate of 1955. Those of us who were here at that time will have vivid recollections of that particular debate in which one of the very distinguished cabinet ministers in this house, a man who had proven himself as a wartime administrator and as one of the greatest organizers of wartime production this country has ever seen, showed that he was not able to change from wartime to peacetime ideals. During the war he had been given extraordinary powers so that he might harness the facilities and production machinery of this nation for military purposes, and his political downfall was due to his failure to adapt to peacetime circumstances. I refer to the late Right Hon. C. D. Howe who, I repeat, was a distinguished member of this house. The attitude of the Prime Minister, as exemplified in the words I have just quoted, is the attitude which helped bring about the political downfall not only of that fine gentleman but also of the Liberal party in 1957 and 1958.

We all remember some of the phrases coined at that time, and one of the outstanding ones was "If we want to do it, who is going to stop us?" Does this not smack of the words used by the the Prime Minister just the other day? Another well known phrase I can remember the Liberal benches repeating in those days was "We shall let the people decide". This is what is involved in the amendment now before us, that in this great debate we should let the people of Canada decide.

I am reminded of a story I used at that time. It is the story of a traveller who was lost on a back concession of one of our townships one wet, rainy night. He saw a light in the distance, headed for the light, and found refuge in a farmhouse for the night. In the morning he woke up, looked out of the bedroom window and was amazed to see the whole countryside covered with water. He was also amazed at an occurrence which he could not understand; when he looked out the bedroom window he saw a straw hat going up and down, back and forth, in front of the house. When he went downstairs he asked his host for an explanation. The reply was "Oh, that is just grandpappy. Last night before he went to bed he said 'Come hell or high water I am going to cut the grass tomorrow.'" That is the attitude this government is displaying in relation to this flag debate; come hell or high water we are to stay here, whether there is a summer recess or not, until such time as this flag debate is completed.

We also remember how that debate was finally brought to a conclusion. The minister of trade and commerce—the minister of defence production—was conveniently away on government business for two or three days, and during that time the prime minister brought in an amendment limiting the duration of the emergency powers contained in the bill to three years. I am happy to say that when this period expired our party was in power, and nothing more was heard about emergency powers after that.

Mr. Speaker, this is an important debate. It is a debate in which I feel every member

of the house should participate. It is a debate in which all the people of Canada are interested. It would appear that despite all appeals to his better judgment by Canadians of integrity, as well as by many organizations, the Prime Minister intends to proceed to a conclusion with the threat of "no summer recess" hanging over the heads of all members.

My feelings in connection with this issue are well known both in this house and in my constituency. My feelings in favour of the red ensign are well known, because I had a resolution on the order paper last year indicating that I was in favour of the red ensign as Canada's distinctive national flag. I have had tremendous support from my own area in favour of this stand, as is indicated by the many letters I have received from Legion branches, I.O.D.E. groups and other organizations, editorials in weekly newspapers and a resolution from my own county council in the county of Wellington. I may say the council passed the following resolution. I will not quote the entire document; the important part is:

> Be it therefore resolved that the council of the corporation of the county of Wellington hereby recommend that the "Canadian red ensign" with the shield of the Canadian coat of arms in the fly be adopted as the national flag of the dominion of Canada and that copies of this resolution be forwarded to His Excellency the Governor General of Canada, the Right Honourable Lester B. Pearson, Prime Minister of Canada, Mr. Maurice Lamontagne, Secretary of State, and that further copies be forwarded to the lieutenant governors of all the provinces in the dominion, to Mr. Alfred Hales, M.P. and Mr. Marvin Howe, M.P., to Mr. C. C. Sparline, dominion president of the Royal Canadian Legion and to all county councils in the province of Ontario.

I am happy to say this resolution was endorsed by the other county I represent, the county of Huron. That is an indication that I have the backing of my own people in connection with my stand. However, after talking to many of these people at home I have come to the conclusion that had the Prime Minister carried out the decision he made on May 12, 1964, members of the Legion, members of the I.O.D.E. branches and even my county council would not take precisely the position they do today. I will quote the right hon. gentleman's words. He said:

> When the time comes to submit the decision of the government in this matter to the House of Commons I would hope every member of the house would vote as his conscience dictates and that there would be no question of confidence or of non-confidence in a party sense.

As I say, after talking to people in my area I believe that had the Prime Minister agreed to a free vote on this question in the house, and had the new flag which he endorses been approved by the house on that basis, then all the people I have mentioned would have accepted the decision because they believe in the traditions which are associated with those grand old flags, the union jack and the red ensign and, for this reason, they would have accepted a flag which had been approved after a free vote.

However, that is not to be. As has happened so many times, the vacillations, the changing attitudes of this government have been of such a degree that we never know what is coming the next day. Those who talk about the new flag and are in favour of it indicate that there is something in particular in the design for new Canadians. They say that the new Canadians who have come to Canada within the last number of years are not in favour of the flag we have at the present time. Once again I can refute that statement with evidence I have from my own riding. I am very happy to say I have received a letter from a lady in one of the communities of my riding. This letter is from Harriston and is dated May 22, 1964, addressed to me:

> I am not in the habit of writing to my member of parliament unless the issue is important. This one is.
>
> It is the issue of a new flag versus the red ensign. It looks like we shall not be given a chance to express our opinion on the flag, because Mr. Pearson intends to keep that one of his election promises.
>
> I am therefore writing to you as the only chance to vote on this issue. I am very much against any new flag and sincerely hope that we will retain the red ensign as our national flag.
>
> As a former German citizen I have not found it difficult, upon becoming a Canadian, to swear my allegiance to this flag and can see no reason for desiring a new one.
>
> My husband also thinks this way. We have no intention of ever flying anything but the red ensign.
>
> Yours very sincerely,
>
> Rita Bedell.

That is a letter from a former German citizen who came to this country in the last few years. I also have before me a petition that was circulated in the village of Drayton. In that village there are a great many people from the Netherlands who have settled there. A great many of the names here endorsing the red ensign are of people who came to this country realizing that this is our national flag. The petition reads as follows:

> To: The honourable the House of Commons of Canada in parliament assembled
>
> The petition of the undersigned humbly sheweth:

That because a meaningful national flag demands the broadest possible acceptance, recognition, and respect

That in the interests of the greatest possible measure of national unity,

They do most earnestly and urgently beseech that the question of a national flag be democratically resolved by granting every Canadian the right to vote on this vital matter by means of a national plebiscite.

And your petitioners as in duty bound will ever pray.

This is a petition signed by a great many people, as I said, in one of the communities of my riding, and a great many of the names appearing in the petition are of Dutch immigrants.

In connection with this immigration problem and the fact that it has been suggested that these people might be in favour of a new flag, it is interesting to note that all prospective immigrants to Canada have been informed by the department of immigration as follows:

The flag used as distinctive of Canada is properly described as the red ensign with the shield of the coat of arms of Canada in the fly. The flag consists of a red field, with the union jack in the first quarter next to the staff. The inclusion of the union jack signifies Canada's association with the other members of the British commonwealth of nations. The coat of arms bears the emblems of the four countries from which the original settlers of Canada were chiefly drawn—the three lions of England, the lilies of France, the lion rampant of Scotland, and the harp of Ireland, together with a branch carrying three maple leaves, the special emblem of Canada.

As I understand it, Mr. Speaker, that is the information given to all prospective immigrants to this country. The Prime Minister has put forth many arguments to condone his actions, one of which is the idea of keeping an election commitment. There were many commitments made, and I am just wondering whether the commitment made by the Minister of Agriculture is going to be kept one of these days. I refer to the commitment to bring in quarterly deficiency payments for agricultural products, which is something that would be of great assistance to the egg producers of Canada at the present time. I well remember how during the election campaign candidates ran up and down the side roads and into the small communities of my area talking about another commitment made on behalf of the Minister of Industry. This was that the Department of Industry was going to bring industry into all the little towns that had been crying for it for years. That was a commitment made by this government, and I wonder when it is going to be kept.

As the hon. member for Marquette said the other day, the highways leading to Ottawa are paved with election commitments which have never been kept. So the argument that this is an election commitment does not hold any more water than do a great many of the arguments which are being put forward in connection with this flag. This is the reason the Canadian people all across this country are wondering why this legislation is being given such importance at a time when more important matters should be considered. This was pointed out over a year ago in an editorial which appeared in the *Globe and Mail* of May 22, 1963, headed "A silly issue":

Prime Minister Lester Pearson promised the House of Commons last week that his government will propose the adoption of a distinctive Canadian flag within two years. And so, once again, the issue of a national flag has been grasped and promises made—to what end?

Surely we are not so politically immature as to think that keeping or discarding the red ensign or creating an entirely new design is in any way related to the practical degree of our independence. It would be dispiriting to think that people still believe that the loyalty of Canadians would in any way be affected by the colour arrangement on the flag flying on parliament hill.

There are muted suggestions that the separatist tendencies in Quebec might be curbed if the red ensign were replaced by another flag, perhaps with a fleur-de-lis on it. Mr. Pearson should know by now that Quebec cannot be bought, and certainly not with a new flag.

In this age of internationalism the question of a national flag is irrelevant, time-wasting and more than somewhat silly. Mr. Pearson has more important things to deal with than the various ways in which crosses, stripes, and assorted animals and other symbols can be arranged on a piece of cloth.

That article was written over a year ago, and the same thing holds true today. Yes, Mr. Speaker, there is a time for doing things and a time for leaving them alone. The autocratic manner in which this resolution was introduced has definitely created a feeling of animosity throughout the whole country. I was reminded of the debates in 1955 and 1956 when the Prime Minister spoke the other day at the beginning of this debate. I could not help but remember what had been said about trained seals when I heard the regulated applause on that side of the chamber every time the Prime Minister made some announcement in connection with this flag. It reminded me, as I say, of the autocratic, overbearing attitude of that former government, which led to its downfall.

Then there is the question of unity. How much will this new flag add to the unity of Canada? I feel that the actions of this government have not in any way improved the conditions of disunity which seem to have become more grievous since this government

came into power. The royal commission on bilingualism and biculturalism, by the very nature of its proceedings and meetings, has done nothing to bring about unity in Canada. This flag debate has aroused feelings of animosity throughout this land which will take generations to heal. I would like to quote from an editorial which appeared in one of the newspapers of my riding. In the issue of the Drayton *Advocate* for Thursday, May 28 there is an article entitled "The great-grandsons of confederation". This article reads as follows:

> Unity should be the ideal of every nation. A disunited nation is an impotent one. Here in Canada the Prime Minister has given as his reason for repudiating the Canadian red ensign that by so doing we will be a more united nation. As his choice of a national flag he tells us it should contain no reference to the British and French founders of this nation. When he talks on the flag issue, Mr. Pearson is emphatic that unity demands a national symbol that makes a clean break with our past.
>
> At other times, and especially in the appointment of the royal commission on biculturalism and bilingualism, he tells us we must recognize our great British and French traditions. It is little wonder that the Canadian people find the Prime Minister's assertions confusing. Almost in the same breath he is telling us to recognize our past and at the same time to dismiss it.
>
> The strongest possible reason for retention of the Canadian red ensign is that it recognizes our national roots as an inspiration for the future. Canada has been too unaware of its history. A visitor to our newspaper office the other day looked up at the picture of the fathers of confederation that has long hung there and said, "It isn't even in our school books now".
>
> However, if everything goes amiss at Ottawa, by the time this is printed the Canadian red ensign will be headed for oblivion in the belief that "unity" will come from a switch in heraldry.

This editorial speaks for itself, Mr. Speaker, and substantiates my argument that this new flag will in no way bring about greater unity in this land of ours.

In closing, Mr. Speaker, I appeal once again to the Prime Minister to alter his course of action and allow a free vote to the representatives of the people of Canada, rather than to pursue an overbearing and autocratic course of action which, by promoting symbols which deny our historical, spiritual and national traditions, will not improve the unity of our nation.

[*Translation*]

Mr. Henri Latulippe (Compton-Frontenac): Mr. Speaker, I feel that I have to speak on this resolution concerning the flag, because I have received more than 5,000 letters from my voters on this matter, asking me to stand up for an exclusively Canadian flag.

As an hon. member said here, at the start of this discussion, we are now living historical moments, which will be written in the great book of this country's history as the crucial minutes in which the survival or the agony of Canadian confederation was decided.

In order to place this discussion in its historic context—which, for some, may be somewhat sentimental, but which we all recall with a certain nostalgic feeling—this country was without a flag for many long years and, during the last conflicts, 28 nations pooled their arms, their resources and their human potential for what was called the fight for civilization and freedom.

Each of those countries had its own identity, each was proud of its regiments, its personality and the symbols by which it was represented.

Alas. Canada, a political embryo, England's ill-nurtured offspring, had no distinctive flag. Yet, Canadians were as proud and brave as the other soldiers of other nations. Our feats in battle prove that we were right there in the fray so that other countries might preserve their freedom and their flag, and not be overpowered by the enemy.

When victory came, every country hailed by the crowds carried its own flag, muddy and torn, but the more cherished by the people. Glory and valour took shelter underneath that standard which remained to bear witness.

Canadians, where were we? Did we have the right to remain incognito, when so many sacrifices had been made by the nation as a whole? Should not our politicians have been conscience-stricken when, on parliament hill, among all the flags of the United Nations, the Canadian flag was conspicuous by its absence?

The union jack led Canadians into battle. But the union jack is Great Britain's flag. Salute it proudly, if you wish, but Canada is not England. The union jack cannot be Canada's flag.

As Canadians, we have all paid our debt to our mother countries, and it shows no lack of respect toward the institutions that have guided us to give evidence of maturity today, to show that we have learned our lesson and that, on our own, we are able to organize our structures and our national life at all levels. If we recognize "God Save the Queen" as the royal anthem in Canada, why not recognize "La Marseillaise" or the national anthem of the U.S.A.? If we recognize the union jack, why not recognize the

American star spangled banner as a friendly flag and a tangible evidence of the American economic presence in our country? It is enough for the American people to know that we respect their symbols; it is not necessary to impose them on us to satisfy the fanaticism of some, the ancestral nostalgia of some others and the immaturity of all of them.

But we know that the flag will not be the wealth of the country.

We also know that it will not help Canadians who have run into debt, that it will not give bread to anyone, that it will not protect Canadian families from cold or want, that it will not raise family allowances, and that it will not have any bounteous effect on the country.

The flag will not settle the problem of our farms which are mortgaged up to the hilt, so much so that farmers have to find other employment besides farming. Big landowners will still exploit the people and small landowners will still be money collectors for the exploiters.

We will have, once again, with more determination than ever, under the shade of the flag, to undertake the economic reconquest of Canada; otherwise political reconquest, symbolized by the proposed flag, will only be a faked Canadian emancipation.

We, Canadians, hope that this flag will offend the oppressors, the mealy-mouthed and sanctimonious governments and politicians, the unscrupulous zealous and make them more respectful of justice, so as to restore their rights to the people and their cultural and ancestral heritage to individuals.

We are proud to endorse the resolution concerning a distinctive flag, but we are determined to discard the union jack.

We want "O Canada" as an anthem, but we are unwilling to recognize "God Save the Queen" as Canada's anthem on any score. We shall always honour this flag and this anthem only as those of England.

For us, this new flag is a symbol of hope in the triumph of freedom, and we reject any attempt to hold us back and to compel us to take one step forward while looking back.

In a country where people understand democracy, the problems of the multitude are tackled before the individual interests. We hope that this flag will be a symbol of freedom, security and a vital minimum for all.

[Mr. Latulippe.]

Many Canadians who are living here remain fond of other countries. To accept two flags and two national anthems in Canada would justify the stand of separatists and many Canadians who cannot bear a compromise not to say degradation.

For a thing to be distinctive it must be without any connection, independent, free and a complete whole in itself. Such is not the case of the proposed flag, since the acceptance of two flags suggests the idea of dependence.

It is useless to try to deceive the people. With that second flag, we dress up the Canadian political skeleton which remains without substance. Until we repatriate the constitution to break any direct link with England, our symbols of an adult Canadian life will remain only smokescreens in front of a half dead colonial reality which still has some trembling movements.

We have proven today to the other countries of the world that we lack political maturity, that our initiative is limited to motherly instructions, that we are still only colonials dreaming of national unity but who, caught at their own game, do not have the necessary maturity to get for themselves the essential tools to acquire that unity, namely the conscience of a Canadian entity without ties and without compulsion.

Let this flag be the hope that our common efforts to build a united Canadian nation, in line with international and national realities, will be put in concrete form, a symbol that could endear itself to all Canadians regardless of their origin.

Adapting to this debate the words of the late President Kennedy, I say: Let us ask ourselves not what this flag can do for us but what we can all do for the flag, particularly for what it must stand for, a proud and united Canada, a Canada aware of her national life.

For some years now, French Canada has been playing an increasingly greater part among modern nations. New responsibilities must therefore be assumed by our people.

It must cultivate the wisdom to give without vexing others and to receive without giving up any of itself. For a nation which has reached adulthood, it means taking conscience of itself before others. It means going on with the dialogue between equals, starting new exchanges.

Since the French Canadian nation has decided to develop more than ever its numerous resources and to expand as much as

possible, while taking into account its collective responsibility, it must show great respect for the whole of mankind while doing it; to become what we are, we must be attracted by what we are not.

One is different only with regard to others, and to serve them the whole of Canada must develop its own personality so that its human values can express themselves for the greater benefit of all after everyone's contribution has been added to them.

Therefore, the love of the nation for that flag must be actively encouraged. The progress of institutions working for the advancement of other nations must also take place in that concept.

Of course, we must first of all be charitable to our neighbour.

That flag should help us to remember all those underdeveloped nations where man lives under conditions which are indeed a denial of his dignity.

That noble flag should really fulfil the true yearnings of the nation, but justice does not simply mean to refrain from doing wrong to others; it means also to help them to the best of our ability.

If a nation really wants to be strong and respected, it must serve at all times the cause of justice, claiming its rights with energy and respecting with equity the rights of others.

The Canadian nation, because of its particular political situation, cannot turn a deaf ear to the cause of justice.

On that score, an investigation of the exact nature of our cultural and political community is required as a necessary preamble. We must also try to establish and take advantage as clearly as possible of the legitimate aspirations of the nation.

Highly qualified men must try to discover all the implications and possibilities of unalienable rights and strive for recognition of those that have not been asserted, regain those which may have been withdrawn. Everyone must strive always to respect the dignity of others in this fight for one's rights.

A true and authentic patriotism which respects justice requires that each citizen honestly accomplish his daily task.

Any claim respecting rights which ignores the corrective duties may end up in a frightful hoax. It is only when each individual carries out his work with competence, when his intentions are pure and when his work is continuous that a people can claim its rights. Justice cannot be established in passion and confusion.

This, hon. members, is of perspective in which we should envisage this matter of establishing a distinctive Canadian flag, as a serious-minded member should do, a member who wants a flag that will represent something true to his people, that will symbolize all the greatness and the nobility of his heart and mind.

We should stop being bellowing politicians, hungering for votes, and we should try to be statesmen, hungering for the welfare of our people and the greatless of our country. Is that not, for each one of us, the mandate entrusted to its representatives by the nation?

[*Text*]

Miss Pauline Jewett (Northumberland): Mr. Speaker, my personal feelings about the flag are quite simple. They are summed up in those immortal words we used as school children: "The maple leaf, our emblem dear, the maple leaf forever". I shall not however break forth into song on this occasion.

Mr. Mandziuk: The old version?

Miss Jewett: Whether the flag should have one maple leaf, as has been suggested, a cluster of three maple leaves or something that has not yet been widely canvassed, 10 leaves, is of less moment than the basic maple leaf concept itself. Ten leaves actually might be rather good. For one thing, such a flag would enable us to add more leaves should the spirit of manifest destiny seize this nation once again. For another thing, I think, 10 leaves would give greater scope for artistic expression, although I realize that members of parliament should not go too far in the sphere of artistic expression after our world fair symbol experience.

I am quite happy, very happy in fact, with the cluster of three maple leaves. The fact that it has historic and heraldic significance, as has been pointed out many times in the house, the fact also that it has the sanction of nature, seem to me decisive. However, the fact that I personally prefer the maple leaf concept, and in particular a cluster of three maple leaves, is not of course really relevant. Like all of us, I have been getting a great number of letters both pro and con on this subject, and the fact that a great number of my constituents prefer and favour the maple leaf concept is surely not the main point either. As has been stated by speakers on both sides of the house in this debate, the main point is surely that we adopt in this house that flag which will unify and not divide us as a nation. This is the

crux of the whole issue it seems to me, and indeed so many speakers have referred to this that my feeling is that the majority of members regard the basic question as what will help most to unify Canada, what will least divide us—

Mr. Mandziuk: Drop the subject.

Miss Jewett: —as by far the most important question. We as members of parliament are here to make a decision on this matter, as we try to do on all other matters in the economic, social and other spheres. It is particularly important in a matter like the flag because, as we all know, a flag is and must be a national symbol. It must say something to all parts of the nation. Above all, it must not go totally against the grain of any significant part of the nation.

I submit that the new maple leaf flag does not go totally against the grain of any large part of the nation. I realize that it is not universally loved. Many of my constituents have written to tell me that they would prefer to have the red ensign. My constituency is a largely Anglo-Saxon one. Indeed, my own people on my mother's side settled there in the late 18th century as United Empire Loyalists. But what I have noticed from my correspondence and from my conversations, and they have been many, with the supporters of the red ensign in Northumberland is that, with the exception of a very few, they are prepared to accept the new flag rather than have a flag which is not acceptable to a large, significant and important part of our nation.

I must confess that there are a very few who are rabidly anti-French, almost rabidly raceistic, if there is such a word. As the hon. member for Lethbridge (Mr. Gundlock) pointed out the other day, and I entirely agree, the concept of racism can be carried dangerously far. We have people in English speaking and French speaking Canada alike who have this kind of herrenvolk attitude. However, except for a very few in this category the red ensign supporters who have written me about their feelings in regard to the flag have invariably said that it is true they love the red ensign and would not like to have to switch their allegiance, but would rather do so than to have a flag not acceptable to a large and important part of our nation.

Surely it is better to choose the flag that will divide us the least. It seems to me this is the only really important point. I am not suggesting that the only Canadians who favour the new flag are the five and a half million French speaking Canadians to whom I have referred. Indeed, as we all well know, this is not the case. Judging from my correspondence it is obvious that a large majority of young people prefer the new flag. I have also found that new Canadians, although not universally, generally feel the same way. If we read the ethnic press carefully we can ascertain that they would prefer a new flag. But above all the young people, the people of tomorrow in all parts of Canada, feel strongly about the maple leaf concept, and they are the ones who will be waving the flag when we are all dead and gone from this chamber.

An hon. Member: You will be gone before you are dead.

Miss Jewett: In other words, Mr. Speaker, to adopt the new flag rather than the red ensign would not, it seems to me, deeply alienate any large cultural group in Canada, whereas to adopt the red ensign or some modification of it would. Let us face it. We all know that to do so would alienate deeply and permanently, I fear, a large and important section of this one Canada. We do not need a referendum to tell us that. All a referendum would do would be to exacerbate our cultural diversities.

In the last 97 years Canada in my view has moved a long way toward becoming a strong and united nation. We have become much more an economically integrated nation. We have found increasingly that our social problems are ones that touch us from coast to coast. I am not suggesting that we have become a uniform nation either in the social or economic spheres, but we all know that we have increasingly moved a very long way toward a national unity, toward a unity which does have, as I say, common problems in the economic and social spheres right across this nation.

In one area, however, we have not it seems to me, and I am glad we have not, found ourselves becoming entirely nationally integrated. This is in the area of cultural traditions and outlook. One of our trouble spots, it is true, but surely one of our great strengths, something that enriches us all, has been and is our cultural diversity. I suggest that we could go on and have an even greater expression of cultural diversity, not only amongst those who came here in the 18th century or earlier but amongst the many who have come to Canada since. We could have a great deal of cultural diversity, and at the same time

move toward trying to achieve those things that all Canadians need and want in the social and economic spheres.

We must, however, take special care when it comes to discussing any matter that is directly within the cultural arena. Such a matter is, of course, a national flag. It is on this ground, and on this ground alone therefore that I think we, as members of parliament, should look at this whole question, regardless of our personal feelings in the matter, regardless even of what we think the majority of our constituents want. In English speaking Canada, most of us find that our constituents are sharply divided on this matter. Regardless of these things, important though they are our personal feelings and the divided views of our constituents the important thing for all of us as members of parliament, it seems to me, is to pursue that policy which, as I have said, will divide us least and will help, I am convinced, to unify us even more in the future.

A referendum, Mr. Speaker, is only really suitable in a culturally and socially homogeneous society. I, personally, do not object to it so much because it is contrary to parliamentary democracy—although in fact it is. As important as this is, I object to a referendum because all it will do will be to reveal more sharply our cultural diversities, our strong feelings on this matter. All it will do will be to alienate still further a very large number of Canadians, French speaking Canadians. Whether we like it or not, French speaking Canadians are people who have lived in this nation a long time; are people with whom we share this nation and who are particularly strongly of the view that a distinctive, new Canadian flag is the right thing for us. They are not the only ones who feel this way, as I have said. I feel this way and many others feel this way too. But the fact that they do, the fact that to go against their feelings would be to split our nation asunder, seems to me to be the only really crucial point.

Mr. Lambert: May I ask the hon. lady a question?

Miss Jewett: I have just about finished.

Finally, there is the question, why act now? We all know that the problem of a national flag is not a new one. We all know that whenever it has been discussed it was difficult to reach a decision on it. We all know that all parties in this house have spoken about it for some years. It is really not new. We all know, too, that there is going to be a substantial amount of time for discussion in this house, and for all the groups in society that have strong views on this matter to get their views across. One cannot deny that the groups in society that do have strong views on this subject have had enormous opportunities, and are continuing to have those opportunities, to get their views across. This is important. I think it is vital in any democracy. It seems to me that if we make this decision this summer, given the time we have for debate, given the time there is for those outside interests to present their views to us, we ought surely to be able to make our decision here which we feel is in the best interests of this nation. After all, it was this nation for which we fought in the second world war, and the values for which it stands. It was not a particular flag for which we fought; it was for freedom, tolerance and understanding, and a respect for minority rights. These are the things for which we fought. These are the things we maintain, and I hope will continue to maintain.

Mr. Lambert: I wonder if the hon. lady would permit the question I wished to pose earlier?

Miss Jewett: Yes.

Mr. Lambert: Does the hon. lady feel the same sentiments in regard to the acceptance or non-acceptance of the red ensign should apply to the union jack, as provided for in the second portion of this resolution?

Miss Jewett: Mr. Speaker, this is not a debate on the second part of the resolution. The second part of the resolution is not to create a national flag for Canada. All I am concerned about is the creation of a national flag for Canada.

Mr. Mandziuk: May I ask the hon. lady a question? What evidence has the hon. lady that the ethnic press is clamouring for this new maple leaf flag?

Miss Jewett: I have not got it here, but I will be glad to send it to the hon. gentleman.

Mr. Mandziuk: Has the hon. member any clippings or quotations?

Miss Jewett: Yes, and I will be glad to send them to the hon. member later.

Mr. Mandziuk: I think it would be worth while to put them on the record, as I did.

Miss Jewett: I shall be glad to do that if I get another opportunity in the course of the debate.

Canadian Flag

Mr. Jack A. Irvine (London): I should like to say a few words at this particular time in this debate in support of the amendment and in opposition to the resolution before the house. I think, Mr. Speaker, I would be remiss if I did not, at this time, say a few words on behalf of the constituents of the London riding. It is not the largest in Canada, but it is one of the largest. It is a completely urban riding. I know that the hon. member for Middlesex East (Mr. Millar) and the hon. member for Middlesex West (Mr. Thomas) have made surveys in their respective ridings which adjoin mine. These surveys have not produced results exactly the same as mine, and this is understandable because they are different types of ridings.

However, I did make a survey through the medium of broadcasting. I sent out word to the people of my riding that they should communicate with me by letter, telephone or whatever means suited them best, and let me know what their feelings are with regard to the flag. I received some 842 letters. Of that number, 824 were opposed to the new flag as proposed. The vast majority were in favour of the retention of the red ensign. I know that some of these letters I have received may have reached me as a result of the efforts of an organization, a group of people who got together and decided they would make representations. So I will cut the number I gave in two. Suppose half these letters were inspired. If we do that, then the majority is still 23 to 1 in favour of the retention of the red ensign, and on that basis it does not take much imagination for me to establish exactly which way I should go in the interests of the people who have elected me as their representative here.

Of the remaining 18 letters, 17 were in favour of a new flag. Perhaps I might say that even the 18 were. Nine of these were not in favour of the flag as proposed. The other writer I mentioned told me what he thought would be a good flag; he described it to me, but parliamentary language does not permit me to tell the house exactly what it was.

However, I would say this: Before we have another national flag—and I think I should say "another" because we already have one—it would be a good idea if we approached full nationhood. There are some things which are lacking. I had occasion recently to pick up a passport on the inside of which were words to the effect that the Secretary of State for External Affairs (Mr. Martin) and Queen Elizabeth II grant the passport and offer the bearer certain privileges. If we look further into this passport—which is not a Canadian passport; it is a British passport—we find the words "A Canadian subject is a British subject". These are some of the details to which we should address attention before we lay claim to complete and full nationhood and go on to change the flag we already have for something new. Then again, on the applications for employment we have in this country, some of them governmental, appears a column asking details of nationality. If you put down "Canadian" in that column, in most instances the application is returned because they want to know the racial origin. This is one of the things which I contend is causing great disunity in this country and it is something we are condoning. As I say, we must first reach the point of complete and legitimate nationhoood.

To think in terms of hyphenated Canadians is I think completely wrong. I do not think we should refer to people as Ukrainian Canadians, Dutch Canadians, German Canadians and so on. I do not think anyone should be considered in that way. Once people have taken out citizenship papers in this country they are Canadians and we should do everything we can within our power to make them proud of this country. I feel I am a Canadian, not a hyphenated Canadian in any sense of the word. After six generations I feel I am almost as Canadian as a full blooded Indian, and I am very proud of the fact. On the other hand, these people who come to us from various countries for the protection—I was about to say of the red ensign, but I will not say that—these people who come to our shores for the protection they receive in Canada so that they may live in peace and harmony, all bring to us a certain amount of their culture. We are pleased to have this so that eventually we may be in possession of aspects of all these cultures, put them together and, as a result, have our own distinctive Canadian culture.

I feel that one of the things which is incensing the people of Canada today is the manner in which this resolution has been presented. I think this is something the people are concerned about. We have a freedom loving people in Canada and they do not like to see this sort of thing shoved down their throats and enforced in a dictatorial manner. One of the other things which I feel is puzzling the people of Canada at this moment is the fact that members on the other side of the house do not have an opportunity of voting freely on this issue. They cannot have the opportunity of a free vote. The Prime

Minister said recently that he hoped everybody would vote as they pleased. On the other hand he said later that the government stands or falls on the fate of this particular resolution. In such a situation how can those on the other side of the house vote against their leader, vote against the government and bring about the dissolution of this parliament? These are things to which the people of Canada take severe exception.

The Prime Minister was once considered to be one of the greatest diplomats in the world. He was a man of whom we were particularly proud in that capacity. Indeed he received a high award for the services he rendered in that field. I know that hon. members on the other side of the house, as well as some who sit elsewhere—and I am going to count myself among them—were proud of him. But, Mr. Speaker, what has happened? There is no diplomacy in the manner in which this resolution has been presented. There is no democracy about the way in which it has been presented. On the other hand, the Prime Minister gave us all an invitation to speak on this subject in the house and I am just wondering whether, after what could run into a great length of time, someone will have the temerity to turn round and say: "This is a filibuster". It cannot be. This was an invitation addressed by the Prime Minister to each and every one of us to get on our feet and express our views on behalf of our constituents.

What was the right hon. gentleman looking for? What was in the back of his mind? Let us think about this for a moment. Was this a way out? Was he looking for some way to back out of this, or was this a smokescreen to cover up the ineptness of the present administration? Was it possibly because of trouble in the commission on biculturalism and bilingualism? Did he want to cover that up in a cloud? Was it put forward as a smokescreen to cover up the increasing economic difficulties of this country? We could cite many possibilities. Was it to force an election before it was too late? Maybe the right hon. gentleman thought the sands of time were running out. Maybe he thought the proverbial chickens were coming home to roost and that he had better have an election now, because in the spring it would be too late. I am wondering about these things and I think we should give them careful thought.

There are three ways in which this flag proposition could have been approached, in my humble view, and I will list them though not necessarily in order of importance. The first is by way of a federal-provincial conference to which the premiers of each of the provinces and select small committees could have been invited, to sit with a full committee representing all five parties in this house around the conference table to produce something which would be acceptable to at least a majority of the people. Then the people, through their representatives, would have the opportunity of exercising a freedom of choice. I submit this freedom of choice is being denied.

On the other hand, Mr. Speaker, there is an educational approach to this question. In the last general election campaign the Prime Minister mentioned that there would be 1,000, 10,000—it does not matter about the figure, because we have not had them, anyway—awards for students. Why did we not turn this whole problem over to the educational authorities in this country and say to each educational district, "Have the students in your area submit what they think would be the proper design for a distinctive Canadian flag". They could then have selected two or three of these designs, sent them to the central headquarters of the district, and the committee of the house I have mentioned could have picked out the six best designs. We could have awarded $1,000 each to the students who submitted what we thought were the best designs. That would have been a great deal cheaper than spending $100,000 a day for this house to sit in the discussion of this problem and we would have given the students an opportunity to take part in the choice of a flag, to express themselves in this connection, to become more patriotic and better Canadians.

The third manner in which this question could be handled is by a plebiscite or referendum. I would like to suggest a few words that could be put into the questionnaire on this particular subject, although I do not suggest the questions should be asked necessarily in this order. The questionnaire could be worded something like this:

1. Are you in favour of the design of three maple leaves joined on one stem, on a white background?

2. Are you in favour of retaining the red ensign as Canada's national flag?

3. Do you favour a change in the red ensign by removing the coat of arms and substituting therefor a maple leaf and fleur-de-lis?

4. Do you favour a national flag with neither union jack nor fleur-de-lis thereon?

There could be added one or two more questions. But at least, Mr. Speaker, we would get a true expression of the opinions of people on this matter and they would have the opportunity of saying what they wanted by way of a flag. In this way we would be getting back somewhat to democracy. On the other hand, why should we be treated like children? This is a most unreasonable thing. Why should the hammer be placed over our heads in the form of, "You pass this resolution or you get no summer recess". As far as I am concerned, I am prepared to sit here all summer.

Some hon. Members: Hear, hear.

Mr. Irvine: I do not care whether we have a recess or not. But let us put before this house some legislation which we can handle, and let this issue sit for a while. Then we could come back to it later, when it could be considered a little more dispassionately. The way this issue has been thrown at us is indicative of, "You be good boys and you will have a holiday", and it reminds me of the little boy who had a ball and bat and went up to the playground, gathered all the other boys around him, and wanted to be the pitcher. They did not want him to be the pitcher, and he said, "All right. I will take my ball and bat and go home". I cannot see the wisdom of the manner in which this matter has been handled; it is very difficult to understand.

There is something else we must face, Mr. Speaker. We cannot go around like the proverbial ostrich, with our heads buried in the sand forever. There are some things we have to face. One of the things we have to face, whether we like it or not, is the separatist movement in Quebec. I know this is not indicative of the feeling of the majority of people in Quebec by any means, but still it is there and we have to face it. I think we would find the majority of these people to be in the age bracket 18 to 24. So six years from today, if we are still together then, these people will be in the age bracket 18 to 30, and this represents a great proportion of the population of Canada. This is something that is very serious; it is of major importance—and we cannot afford blindly to look away from it.

I think it is time our Prime Minister—who is known for his diplomatic prowess; who is known to be a great statesman: we will not say anything about his ability as an administrator—approached the premier of Quebec and obtained a commitment from him that they are going to be with us in 1967 when we have our centennial celebrations. If we do not obtain that commitment, I say let us get a new site, and get it now, before we start pouring millions and millions more dollars into this particular site.

Mr. Prud'homme: Get back on the flag.

Mr. Irvine: What is the result? Confusion; complete and utter confusion. Two new flags have been suggested to the house. We have one old flag which we have been using for some time and which was officially endorsed. There is a move afoot whereby the province of Ontario may opt out of this flag, just the same as Quebec opted out of the pension plan in its original form. If they opt out, we will get four flags. And there could be other provinces that will decide they want their own flag. Perhaps the province of Quebec will decide to fly their provincial flag. We could end up with 12 flags. What confusion and what disunity.

This is a real problem, one that cannot be handled on the spur of the moment. This is a problem on which we will have to take a little time and perhaps do a little compromising. What we are doing now is continually driving wedges between groups of people, driving them further and further apart. This is nothing new, and I would like to refer hon. members to the *House of Commons Debates* of 1900, 64 years ago. I shall read from from volume 1 of the debates of that year, page 1842, half way down the right-hand column. These are the words of a very outstanding man of this house at that time, the first officer of this house, Sir Wilfrid Laurier. I might preface this by saying that these words were spoken in reply to a statement made by, I believe, the attorney general of that time. This was in the debate on supply with regard to sending troops to South Africa. The prime minister said this:

> It is only too true, sir, that if we had refused at that time to do what was in my judgment our imperative duty, a most dangerous agitation would have arisen—an agitation which according to all human probability would have ended in a cleavage in the population of this country upon racial lines. A greater calamity could never take place in Canada. My hon. friend and I have long been on terms of intimacy. He has long been a political friend and supporter of mine. He knows as well as any man in this house knows that if there is anything to which I have given my political life, it is to try to promote unity, harmony and amity between the diverse elements of this country.
>
> My friends can desert me, they can remove their confidence from me, they can withdraw the trust which they have placed in my hands; but never shall I deviate from that line of policy. Whatever may be the consequences, whether loss of prestige, loss of popularity, or loss of power, I feel that I am in the right, and I know that a time will

come when every man, my hon. friend himself included, will render me full justice on that score...We are a British country and a free country, and every man in it has the right to express his opinion.

Those were the words of Sir Wilfrid Laurier in 1900.

In the Montreal *Gazette* for October 22, 1963 there is a letter which contains a quotation from Sir Wilfrid Laurier which is as follows:

I am proud of the country that gave me birth—

—and the letter indicates he was referring to Canada—

—and I am proud of the country that gave me liberty—

—referring to Britain. Mr. Speaker, this is the kind of Canadian, one of the greatest of all times, that the Liberal party presented to the house in 1900, or a little before then. What a change we have today; times have changed. We have a flag now which I am sure is acceptable to the vast majority of the people of Canada, so why change it? After the next election when we have a new government another flag resolution may be brought in, and then we will have more confusion and the same trouble all over again. I do not think a new government would do that but it could happen. We should remember that we are all Canadians and that we should get together in a spirit of unity, and in a spirit of compromise work something out which would be satisfactory to the vast majority of our people.

I should like to quote another item which I think is very interesting. It originates from "Viewpoint", a show with which I am sure all are familiar. On June 16, 1964 this statement was made by Mr. Robert Needham of the press gallery:

But, whatever the merits of the tri-leaf, the red ensign or any other flag, I cannot conceive of poorer circumstances under which a supposed emblem of unity is being presented to the nation.

What other conclusion is possible, when a splintered house is held hostage by a minority government. A distinctive flag now—or a general election. That's the choice. That's the ransom demanded of a captive commons.

Such is the birth and baptism in bondage decreed for a flag of freedom.

Now let me go to another man whom I presume some people have heard about. His name is Newman; I think his first name is Peter. He has written other articles, but the one to which I wish to refer is in the July 4 issue of *Maclean's* magazine. He starts off:

Just after Lester Pearson became the fourteenth prime minister of Canada, he described his stewardship, in a television address, as "a time to excite the daring, test the strong and give new promise to the timid"...

Now, 14 months later, it is evident even to the Liberals that their administration has yet to earn the title to these brave words. What may be less evident, althought here in Ottawa it seems clear enough to me, is that in the day-to-day business of governing the country the Liberals are falling short of even the most basic demand made on any government: that the administration control events and shape the course of national affairs... But it seems to me that on almost any afternoon of this session there has been some evidence to be seen in the house of vacillation and retreat... in my opinion the domestic policies of the Liberals have been a grey, quiet failure.

My point, Mr. Speaker, is this. Why should we be wasting so much time when there is so much legislation we should be getting on with? Why do we not set this measure back for a while, give it a chance to simmer and let the people look at it from a sensible sort of viewpoint rather than push it through now? Let us debate this question of the flag later. Our present flag or any new flag which might possibly be, I will not say forced upon us, but any new flag we might acquire through a pressure medium, should stand for justice, for freedom and for liberty. But most of all it should stand for unity, and I do not see where this proposed measure will inspire any unity in any part of the country. It should represent further the sacrifices which were made by our forefathers when they forged for us from a vast continent a new country where we might live together as individuals in freedom; where we might enjoy freedom of choice, freedom of worship and freedom of speech regardless of race, colour or creed. I say long may this freedom live, Mr. Speaker. Let us proceed slowly. What we do today we have to live with for a long time. Let us go back to the days of trade and barter and perhaps we can compromise a little and get together on this matter. But whatever we do, let us not break faith with the people of Canada. Let us give them an opportunity to express themselves individually, in line with the amendment to the resolution before us today. Let us shelve this question temporarily and look at it from a dispassionate point of view. Meantime, let us get on with the business of Canada. Our constituents sent us here to legislate, so let us go to work on legislation, and let the flag sit so that we may get together on the matter a little later on.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members' business

as listed on today's order paper, namely private bills, notices of motions (papers), public bills.

MOTIONS FOR PAPERS

SECURITY PROCEDURES AND INVESTIGATIONS

Mr. David Orlikow (Winnipeg North) moved:

That an order of the house do issue for a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations.

He said: Mr. Speaker, I am not only surprised but I admit I am bitterly disappointed that I have to move this motion. On a number of occasions since I came to this house some two years ago the house has discussed the whole policy of security matters, the rights of people who work for the government to know what they are accused of—if they are accused—and their right to an opportunity to give their side of the story, in other words an opportunity to defend themselves.

This matter has been raised not only by members of parliament but by organizations such as the Canadian association of university teachers and the Canadian union of students representing all the students in Canadian universities. Last session we thought we had finally got a policy from the government, a policy which was fair, which would protect the rights of government employees and which would ensure that justice would be theirs.

I wish to quote a couple of paragraphs from what I thought was a very important statement made by the Prime Minister (Mr. Pearson) in this house on October 25, 1963. Members will find this on pages 4043 to 4046 of *Hansard* for that date. In it he said:

If our security policies ignored, or did not take sufficiently into account, the basic rights of the individual, they could operate not to defend but to destroy the liberties which are our first concern.

Later he said:

The first of the new requirements is to inform the person involved when his security or reliability is in doubt and may have to involve his dismissal. Employing departments and agencies will in future be required to tell an employee everything that is possible of the reasons for the doubt, if there is a doubt, and to give him an opportunity to resolve that doubt...

The second new requirement is to ensure that a second look is always taken by a separate body before dismissal is finally decided upon. Once the individual is told of security doubts he will have the opportunity to give his side of the case.

[Mr. Deputy Speaker.]

Finally he said:

I feel confident that the procedure which we are now adopting will assist us in making judgments concerning loyalty and reliability in a manner which will protect individual rights as well as national interests.

That was an excellent statement. The Prime Minister always makes excellent statements when he talks in broad generalities, but when you try to pin him down to anything you find there is not much in it. He made this statement and he met with representatives of the Canadian association of university teachers. I see the hon. member for Northumberland (Miss Jewett) here. She was at that meeting. The Prime Minister gave that organization assurances that the government would work out satisfactory policies, that it would keep in touch with the organization, and hold discussions with it in future. I am told that as of today the members of that organization have not heard a further word from the Prime Minister.

On May 7 of this year I asked the following question:

1. Has the new policy regarding security investigations promised by the Prime Minister last session been established and, if not, how long will it be before it is ready?
2. If it has been completed and approved, have its terms been made known to the employees of the government and their associations?
3. Will a copy of the policy and its regulations be tabled in the house?

The answer to that question came down on May 25 last and was as follows:

1. Yes.
2 and 3. The terms have been formally communicated to all government departments and organizations. It is not customary to send directives such as this to employees or associations, nor are administrative directives normally tabled in the House of Commons.

I suggest, Mr. Speaker, this is precisely the reason we have had this kind of difficulty, because security is not just the business of the government ministers and their departments. Security is the business of the people involved. It is the business of all members in this house, and if the members of this house and the people in the Canadian association of university teachers and the Canadian union of students had been satisfied with the former ring-around-a-rosy which we had between the government, the R.C.M.P. and other people, we would never have had these discussions; but the fact is that the policies have not worked out, and many mistakes were made.

I refer hon. members to the Knott case, raised by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) in which the government, because of the evidence

presented to it, was forced to admit that a mistake had been made. It admitted Knott had been dismissed from the navy because his uncle was a member of the communist party, and then it admitted a mistake had been made because in fact the person in the communist party was not his uncle.

I want to ask the Minister of Justice this question. Supposing his uncle had been a member of the communist party, what had that to do with the man in the navy? Have we reached the situation in this country when a person is judged guilty not because of what he does himself but because of what his relatives may have done or may be arguing?

If that is the kind of procedures we have, then we have taken a leaf out of the book of nazi Germany, because it had this kind of law. Nazi Germany enacted a law which, in rough translation, was entitled a law dealing with the clan responsibility. Under that law when a person committed a crime against the security of the state every person in his family, his father, his mother, his sister, his brother, his uncle, his aunt and his cousins to the 'nth degree were adjudged to be equally responsible. I am not saying we have that kind of law here. If we had, then we could fight it, but what we have had are administrative procedures exactly like those which were followed in nazi Germany.

I have talked about the Knott case which was settled satisfactorily, and following that we had the Petersen case. Eric Petersen of Esquimalt, B.C., had been a member of the navy for ten years and, according to himself and his counsel, he was dismissed from the navy. The reason given was that his father-in-law was a communist, but the fact is that his father-in-law was a communist when Petersen was one year old.

I asked questions about this in the house and got the usual run-around which always takes place when one gets into security matters because, after all, an ordinary backbencher cannot be expected to understand the fine points of security. This is for that select group, the Minister of Justice, his assistant, other people around him and the R.C.M.P. When I did not make any progress I went to see the Minister of National Defence (Mr. Hellyer) who told me very plainly that this was not the reason Petersen had been dismissed from the navy. He said they had other reasons, good reasons; but I can tell the Minister of Justice (Mr. Favreau) that the Minister of National Defence did not tell them to me, and I am satisfied that until today Petersen has not been told why he was dismissed from the navy, so that he could really defend himself. He has to take the word of some faceless accuser that they have information which makes it necessary for him to be dismissed from the navy.

Last session I had a letter from a young man in my constituency, who told me he belonged to the naval reserve for three years and when he and his friends, with whom he had served in the naval reserve for three years, went to reinlist, his friends were taken back in but he was turned down. I asked him to call on me and I spent an hour with him in Winnipeg going over the possible reasons. I got the assurance from him that he had never belonged to any organization which could possibly be classed as subversive. He told me all the organizations to which he belonged. However, having had some experiences in these cases, which I would be very happy not to have had, I asked him about the members of his family, and it came out that his father worked for an organization which I am sure the government would consider to be communist dominated.

Let us assume for the moment that his father was a communist 20 years ago or even that his father is communist today. Is there anybody here who is going to suggest that because a person's father is or was a communist that person therefore ought not to be able to be a member of the naval reserve? We are not talking about atomic research or nuclear bombs. We are talking about an ordinary seaman.

I am not going to mention this person's name because he did not authorize me to discuss the matter publicly, but what about the person who wanted to work for the C.B.C. and who was turned down because his father allegedly is a comunist? This is precisely the kind of thing that has gone on and I am satisfied it is still going on. I will believe it is going on until the government realizes that if they really have a new policy there is nothing wrong with telling the house about it, and also telling the organizations representing employees and the people of Canada what that policy is.

I never wanted and I do not want today to know the details. I do not want to see the actual questions which are asked. I am not really concerned about the answers. I am not concerned about every position in the government which requires security clearance. But surely to goodness there can be nothing wrong with the government making a clear policy statement in a broad way of what the requirements are, what departments

require security clearance, what the reasons are and what kind of matters are involved in security. Until we have this type of procedure there are going to be complaints and members of the house and people outside the house are going to continue to ask questions and to be critical.

We have heard all the arguments why there cannot be an independent group to look into these matters. We have suggested such a body. We have suggested that if the government is going to lift the security clearance of any person employed by it that person should be told first of all that he is losing his security clearance. Second, he should be given some indication of what the general reasons for such action are. Third, he should have an opportunity to explain, to make a defence.

If such a practice should be adopted I will not be satisfied and the members of this group will never be satisfied if the only people to whom the employee can make his explanation are people in his own department. These is no reason at all why there cannot be an independent semi-judicial review committee. I point out to the Minister of Justice (Mr. Favreau) that during world war II when the defence of Canada regulations were in effect, not in a time of peace but during a war when thousands of people were interned—I am not questioning the necessity of that for a moment—provision was made for a review committee to which people who had been interned and thought they had been unfairly treated could make representations. I understand that committee had on it a representative of the judiciary and it was empowered to hear not only the government's side of the story but to hear the defence, the explanations of the people involved. It also had power to recommend that people who had been interned should be allowed to go free. If we could do that in wartime surely we can do it in peacetime.

I want to say that the kind of answer the Prime Minister (Mr. Pearson) gave to my question was most unsatisfactory. I had been assured before by the Prime Minister's office that he was sympathetic to my motion to produce this material but that the security people were unhappy about it. It is obvious that the security people persuaded the Prime Minister that he could not do this. That is precisely the sort of thing to which I object.

The Prime Minister and the government indulge in fine talk, though in generalities, when they want the support of organizations like the Canadian association of university teachers. The question of security procedures at universities is a separate one which we will also be pressing. But we got this very nice answer from the Prime Minister who likes to think of himself as a liberal with a small "l". When the chips are down, however, when it comes time for action, when it comes time to tell the security people and the R.C.M.P. that maybe they are going to have to explain to somebody besides themselves, the Prime Minister loses his courage and we get the kind of nonsense we had in the refusal of the government to table these directives. If the Prime Minister could not table the directives he could have made a statement explaining to members of the house and the public what the situation is with regard to security.

I said in opening my remarks that I was sorry I had to raise this matter. I assure the Minister of Justice that unless we receive a good deal more information that we have got up to now this matter will be another one on which we will have to spend a lot more time at this session than it should take simply because the government has not got the guts to take the people into its confidence.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, hon. members will recall that during the consideration of the estimates of the Department of Justice on October 25, 1963, the Prime Minister (Mr. Pearson) said, as reported on page 4043 of *Hansard* for that day:

> The security measures which have been developed here in Canada, through sometimes bitter experience, are intended to be preventive and not punitive. Their purpose is to protect the safety, interests and indeed the freedoms of all Canadians. They are under constant and continuous review, with the purpose of striking the balance I have referred to between the protection of the state and the protection of the individuals who, in a free society, alone give the state its direction, its purpose and indeed its meaning.

He said further, as reported on page 4044:

> The granting or the denial of a security clearance is an administrative matter, one of managerial responsibility. In making a decision that an applicant or employee may not safely be given access to secret and confidential information, the head of a department or of an agency is not denying an individual a right. No person, of course, has a right to see official secrets. The department head is merely exercising the judgment he is expected to apply on the basis of all the information available to him in the way that any sensible person would exercise such judgment in hiring a secretary, a cashier, a lawyer or a doctor, ensuring that such person could be trusted with his property, his private business or his physical health. The government also has an obligation to provide itself with every reasonable assurance that those of its employees who require access to the government's, the nation's secrets are loyal and trustworthy and not vulnerable to persuasion, coercion or blackmail.

I feel confident that the procedures which we are now adopting will assist us in making judgments concerning loyalty and reliability in a manner which will protect individual rights as well as national interests.

Following the statement which the Prime Minister (Mr. Pearson) made at that time the then minister of justice went on to outline in some detail the security screening arrangements which had been devised. At that time he said, as reported on page 4046 of *Hansard*:

I do so with some reluctance because the effectiveness of even these measures is usually reduced in providing information about them. At the same time, I fully appreciate how frustrating it is to members of this house as well as to the public generally, who are rightly concerned that individuals be treated fairly, to be faced with official silence on this vital subject. There will always be matters in this area which cannot be discussed fully in public if our defensive arrangements are to have any effect at all. I am sure all members of the house will agree with the principle of that statement. On the other hand, the effectiveness of these arrangements does not depend solely upon the measures or the individuals involved with them. They depend too upon the understanding and cooperation of all Canadians on whose behalf, in the last analysis, these measures have been instituted.

It was the purpose of this statement, Mr. Speaker, to explain to the house, and to all Canadians, in as much detail as was consistent with national security and the general interest, the means by which the government intends to safeguard these vital secrets as well as the rights and interests of its employees in this regard. These statements were, I believe, the fullest which any government of Canada has ever made on this difficult subject. They were made in the knowledge that they would probably lead to demands for further information. It is my firm impression that they have assisted materially in achieving the purpose which I have described. The statements were completely in accordance with the administrative directive which has been sent to all departments and agencies.

The motion before the house is that an order of the house do issue for a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations. There has been only one such directive, Mr. Speaker, and after the most careful consideration the government has decided that it must, in the public interest, decline to accept the motion to provide a copy of the directive. The hope was expressed that, for this reason, the hon. member might be prepared to withdraw his motion. However, as was his right, he has not seen fit to do so.

In declining to accept this motion, the government has taken into account and essentially agrees with the stand taken on this matter by every Canadian government which has had to face this difficult problem. It is essentially this: To divulge publicly the means by which the government instructs its agencies to counter the efforts of those who would steal our vital national secrets and subvert our institutions, would have the effect of impairing the effectiveness of these counter measures. As it was very aptly put in the white paper presented to the parliament of the United Kingdom by the secretary of state for foreign affairs in 1955:

Espionage is carried out in secret. Counter-espionage equally depends for its success upon the maximum secrecy of its methods. Nor is it desirable at any moment to let the other side know how much has been discovered or guess at what means have been used to discover it. Nor should they be allowed to know all the steps that have been taken to improve security. These considerations still apply and must be the basic criterion of judging what should or should not be published.

From our experience, and I am sure the right hon. Leader of the Opposition (Mr. Diefenbaker) from the experience he has had will agree, there is no reason now to change the view that has always been taken in this respect. As one of my predecessors in office, Hon. Davie Fulton, minister of justice in the previous administration said on April 29, 1959, as reported on page 3152 of *Hansard*:

The government has consistently followed the policy of complete reticence concerning security work—

The government which preceded that of which Mr. Fulton was a member also consistently upheld this principle. The present government has gone further in modifying the principle in the interests of supplying information on security matters than any previous government. We fully recognize that it is the government and no other body or individual which has the heavy and undeniable responsibility of advising and administering security policies and procedures which have been agreed upon after years of study based upon our Canadian experience and the collective experience of our allies. We are convinced that to open these detailed procedures to public debate further than has already been done would seriously reduce the effectiveness of these procedures and would lead inevitably to the injury of individuals who have committed no offence under the law. We cannot believe that either of these results would be in the public interest.

This is in no sense, Mr. Speaker, a partisan matter. I am sure that hon. members on all sides of the house would be deeply relieved if we did not have to deal with these harsh, complex and difficult matters. But deal with them we must, and in a manner which, based on the best possible knowledge of the circumstances, will afford the best possible protection to the people of this country. In this connection I would ask that hon. members do not underestimate the weight of the responsibility that rests upon the Prime Minister in facing these problems. Indeed I was deeply gratified to hear the right hon. Leader of the Opposition express his recognition of this fact when he said on October 25 last:

> Mr. Chairman, the matter under discussion is one of the most difficult problems that faces a government today. It is understandable why the Prime Minister should have made a statement this evening as to the policy of the government, for the responsibility of national security rests primarily on the Prime Minister.

A little later, he went on to say:

> From time to time these matters are brought before the people. He carries in his head information in respect to the subject of security that he is almost frightened at times of revealing. The Prime Minister has spoken of the difficulties.
>
> How are you going to maintain security while at the same time preserving and maintaining the fundamental rights of the individual? It is a difficult problem. It is so easy to criticize, but it is so much more difficult, having that responsibility, being desirous of maintaining those freedoms, to be able to carry out one's wishes. Loyalty is expected of all Canadians. It is imperative as a quality of public service.
>
> The maintenance of security is of prime importance to the survival of the state. How often do cases come before a prime minister and he cannot go into the details in the House of Commons? You have the evidence. Often it is secondary evidence; sometimes it is hearsay. The accumulation of hearsay placed before one has an effect, no matter how one endeavours to adopt a judicial attitude.

At the conclusion of his speech, the right hon. gentleman said:

> I know the weight of the responsibility that is on the Prime Minister in matters like this—this matter above all. He cannot put it off on somebody else. He in his person has the custody of our survival and our security. In the views he had placed before the house he has been given the benefit of the study that was made by dedicated public servants whose purpose was to assure that justice shall be done. Fiat justitia ruat coelum—'Let justice be done though the heavens should fall'.

The responsibility is, indeed, a heavy one and not a pleasant one. I am sure it would have given the Leader of the Opposition (Mr. Diefenbaker) great relief when he was prime minister to have been able to be open and public about all of these things. It is contrary to the principles on which our society and nation is based to have to maintain secrecy about actions that can, at times, affect the careers of individuals. Yet it is essentially for the protection of our nation, based on those principles, that these measures regretfully have to be taken. Other free nations are faced with the same unpleasant facts of life and recognize that the strong light of publicity cannot be admitted to every detail of security precautions if they are to be effective. It is for this reason that the Prime Minister and the government had to take the position that it would not be in the public interest to publish the current directive on security in the public service. I can however assure hon. members that the new and improved measures to protect the rights of individuals, as described in this house on October 25, are covered in the directive and are in effect.

Mr. T. C. Douglas (Burnaby-Coquitlam): I had thought at the last session of parliament that we had made some progress in this matter of security investigation, but after listening to the Minister of Justice (Mr. Favreau) I am convinced we are right back where we started.

The minister has treated the house to the usual parade of the mystique of security—something so secret, something so mystical that it cannot be disclosed to the uninitiated. He tells us of the great burden of responsibility which, he says, the government alone must bear. I would remind you, Mr. Speaker, that this is a democratic country in which the government is responsible to parliament and parliament is responsible to the people. The government has responsibility for conducting these security programs. The minister says this is not a partisan matter, and we agree. We have never suggested it was. This is a matter of human justice; it is a matter of deciding whether or not persons who are labelled as security risks and who, in consequence, are either denied employment or dismissed from employment shall have, first, the right to know what they are accused of and, second, an opportunity to present their cases. That is what we are arguing.

All this talk of the minister about the fact that many of these security questions cannot be opened to the light of day is not in dispute. We know perfectly well that security investigations cannot be carried on in a glass house. We are simply contending that people who are accused and who, as a result of the accusation, made, as in some cases, as the minister himself admits from pure hearsay,

shall have the right to face those who accuse them, the right to defend themselves and to know with what they are charged.

Instead of facing up to this problem the Minister of Justice trotted out the old slogan "Father knows best". I have been listening to this for a quarter of a century. Ministers of justice say: You must leave it to me; you must trust my good judgment and good sense; I am very busy, so this means trusting the good judgment of the officials of my department or of some other department. As a matter of fact we have brought up case after case to show that neither the ministers of the crown nor their officials are infallible. The Gordon Knott case has already been referred to. A number of other cases came before the house in the last session of parliament. I myself have taken up cases with ministers, cases in which the individuals concerned were either being dismissed or threatened with dismissal upon grounds so flimsy that when the ministers themselves looked into them they discarded them and managed to have the cases cleared up. But supposing no one had brought those cases to the attention of the ministers concerned. Supposing the deputy minister or the head of a branch, acting on the report of a security panel, had dismissed the persons in question or refused to hire them. These individuals would then have suffered a great injustice. I pay tribute to the ministers to this extent: In many cases when certain matters have been brought to their attention they rectified the situation and saw to it that justice was done. But the number of cases which come to our attention and which we can discuss with ministers amounts to only a small proportion of the cases which occur.

It is not enough, as the old English slogan says, that justice should be done. Justice must appear to be done. It must be clear, beyond doubt, that injustice is not being done. It must be worked into the warp and woof of our government administration that people cannot be unjustly dismissed or discriminated against on the basis of hearsay evidence, on the basis of malicious gossip or on the basis of mistaken identity—and there has been plenty of that—but that the individuals in question shall know why they are being dismissed and what is the case against them, besides having an opportunity to present their cases and, I think, an opportunity to be represented by counsel while a case is being conducted. This is all we are arguing.

Last year, the former minister of justice for a while gave us the "Father knows best" routine, and we were relieved when on October 25 the Prime Minister (Mr. Pearson) made the speech to which the Minister of Justice referred this afternoon. The Prime Minister was very generous in saying this:

> Since they were introduced in this country in 1947, the so-called security screening procedures adopted have, on the whole, worked well, though of course, Mr. Chairman, there have been mistakes. But I believe we have for the most part avoided excesses both of over-caution and over-confidence. There are nevertheless admittedly certain flaws in the system and it is to these that the government has been directing its attention recently. It is also to these that members have been addressing questions to the government in the House of Commons.

The Prime Minister admitted there have been mistakes and that the system is not without its weaknesses. So he went on, as reported on page 4044, to say this:

> After careful consideration the government has come to the conclusion that the essential advantages of these procedures can be achieved within our system by requiring all departments and agencies of government to do two things which they have not previously been required to do. The first of the new requirements is to inform the person involved when his security or reliability is in doubt and may have to involve his dismissal. Employing departments and agencies will in future be required to tell an employee everything that is possible of the reasons for the doubt, if there is a doubt, and to give him an opportunity to resolve that doubt.

That met the first objection. The individual was going to have a chance to know wherewith he was charged, and was to have an opportunity to present his side of the case to the official of the government under whose direction he came. The Prime Minister went on:

> The second new requirement is to ensure that a second look is always taken by a separate body before dismissal is finally decided upon. Once the individual is told of security doubts he will have the opportunity to give his side of the case. The employing agency will consider it, consult the staff of the government security panel, and arrive at a conclusion.

I will not bother reading the rest of it; it simply says that if after making his case in the department, the department still abides by its decision, certain things may be done. Then the Prime Minister went on:

> But if it is that his dismissal must be recommended, the individual will be given a second hearing, this time by the deputy minister or head of the agency. If that interview does not resolve the doubts, and if the agency head agrees with the view that dismissal is necessary, the whole case and the relevant information, including anything that the employee himself has submitted, will be submitted to a board of review.

That was the second thing we wanted. We wanted a quasi judicial board of review. We did not get a quasi judicial board of review; we got an administrative board of review made up of deputy ministers. We are willing to settle for that as an experiment. Therefore the Prime Minister's speech really said two things: First, a man was going to have a right to know what evidence there was to suggest that he was a security risk, and be given an opportunity to answer the charges; second, he was going to have an opportunity of appeal, first from his immediate superior to the deputy minister and then to a board of review. On page 4045 the Prime Minister said:

> I feel confident that the procedures which we are now adopting will assist us in making judgments concerning loyalty and reliability in a manner which will protect individual rights as well as national interests.

The Prime Minister said he was confident that this system he was proposing would work. The Minister of Justice has told us today that the government has gone much further than any other government in setting up these two requirements outlined in the Prime Minister's speech. If the Prime Minister is confident that these two procedures are effective in eliminating any possibility of injustice, and if the Minister of Justice really believes that by these procedures the government has gone much further than any other government, why should the government now refuse to make public the material requested in the motion of the hon. member for Winnipeg North? All this motion asks for is a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations.

The Minister of Justice says there is only one directive. If this directive contains the two proposals outlined in the Prime Minister's speech of October 25, 1963, why should the government hesitate to make it public? If on the other hand it does not carry out the Prime Minister's commitments, I can understand the government's hesitancy about making it available to the members of this house.

Mr. Speaker, on the basis of this directive members of the public service and the armed services in Canada can be dismissed. These people's jobs depend upon the terms of that directive. It is a basic precept that people have the right to know the law. Individuals have the right to know the terms of a directive which affects their security, their jobs, their reputation and their future. The minister has not given us any reason at all why this directive should not be made public. He has told us that there are a great many security matters which cannot be discussed fully in public. We agree. We are not asking the minister to make public all the facts about any particular security case; we are merely asking him to table a directive sent out to the departments of government setting forth, we hope, in detail the commitments which the Prime Minister of Canada made to the House of Commons on October 25 last.

I know of no reason whatsoever why we should be denied access to this directive. What possible secret information can there be in it? If this directive follows the speech made by the Prime Minister, it should be saying two things: First, that any person about whom there is some doubt as to his or her security status will have the right to know on what that doubt is based and will have an opportunity to resolve the doubt; and second, that directive, if it follows the Prime Minister's commitments, will say that there shall be available to that individual the right of appeal, so that he can go to the deputy minister and can go finally to a board of review and present his case and seek to remove any doubt upon which his dismissal has been recommended. That is all this directive can contain. What is secret about it? What mysterious formula is contained in the directive that is not to be disclosed to the eyes of poor, ignorant members of parliament?

Mr. Speaker, this is just too ridiculous for words. This is part of the mystique of secrecy that has beclouded security in this country for years. The Prime Minister said, when he wound up his speech last year, that he was confident the procedures he was promising would clear up the situation. The Prime Minister having confidence is not sufficient; this house has to have confidence that the procedures have been established and are rectifying the situation which it was all too clear obtained last year. We have not that confidence; we have not been shown anything that would give us that confidence. If the government wants us to have confidence that they have kept faith with the commitments the Prime Minister made on October 25 last, they will give us a copy of this directive. After all, I presume, this directive has been sent to deputy ministers, maybe to branch heads, and to certain personnel in the armed services. Is there any reason why the House of Commons, the members of

which are concerned about this question, should not see the directive? The minister has not given us any reason at all. We are not asking for confidential information; we are not asking for classified material. We are simply asking for a simple directive sent out to guarantee that the ordinary, basic precepts of justice are being adhered to in so far as the public service of Canada is concerned. Surely, Mr. Speaker, that is not too much to request.

I hope the minister will give this some further thought and will come back and give us a frank reason for this directive being denied us. I ask him not to treat us like children and expose us to another talk about the difficulty of security measures and the burden this places upon him. We are not asking him to disclose classified data. We are only asking him for a simple directive, a directive which will either prove to us that the government in good faith has carried out the procedures which it promised this house it would implement, or it will show that the government has welshed on its commitments to parliament and has not instituted those procedures. Until the government discloses such directive we have to draw the conclusion that they have failed to implement the procedures the Prime Minister promised would be implemented when he spoke in the house last October.

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): Mr. Speaker, the hon. member who just sat down stated two alternatives; one from which he drew a conclusion favourable to the government, and the other unfavourable. The first alternative is that the directive referred to today by the minister contains no more than was outlined by the Prime Minister (Mr. Pearson) in his speech last October; the other alternative is that the directive failed to carry out the procedure referred to.

I think on reflection the hon. member will realize in all intellectual honesty and fairness the existence of a third possibility, namely that the directive in question would contain not only reference to the procedure which was set out in this house on October 25, but would also contain additional confidential material, material which could prejudicially disclose the nature of the security structure itself, which would be very prejudicial to our security system as well as prejudicial to the people of Canada and to this parliament to make public at this time.

Mr. Douglas: Would the hon. member permit a question?

Mr. Macdonald: Certainly.

Mr. Douglas: Could I ask the hon. member whether that is purely hypothetical conjecture, or is he making the statement on behalf of the government that it does contain such material? If so, why did not the Minister of Justice (Mr. Favreau) say so?

Mr. Macdonald: I would point out to the hon. member that this is what the Minister of Justice (Mr. Favreau) has said, and said in his statement a few minutes ago, that there was content in this particular directive which, if disclosed, would be prejudicial to the public interest acting through the security system. I think that is a fair observation to make and one which the hon. member in a spirit of fairness would accept.

The hon. member and before him the hon. member for Winnipeg North (Mr. Orlikow) cited examples which spokesmen for the government in October, and again today, have acknowledged as representing a breakdown in the security system. They referred to the Knott and Petersen cases, and I do not think anyone makes the pretence that there was not a definite failure there. It was to meet that particular failure that the procedure set out on October 25 was invoked. I do not think that anyone in any honesty pretends that there may not be some circumstances, very marginal circumstances, in which it might be possible, even through the screen of the new procedure, for some injustices to be done; but I think we recognize that those particular measures which are now being applied would have caught the examples referred to by the hon. member.

I think it is significant to point out—

Mr. Orlikow: Mr. Speaker, might I just ask a question. Did the hon. member say, as I thought I heard him say, that there had been an error in the Petersen case? Second, is the parliamentary secretary saying that the procedures now are such that in a similar case the person concerned would be told what were the difficulties so that he could answer them?

Mr. Macdonald: No, Mr. Speaker, I did not say that. What I said was that the hon. member referred to examples; and I was referring particularly to the Knott case when I said that the problem which arose there in my opinion would have been adequately caught by the present procedures. As to the second part of

the hon. member's question, I am not saying that even now it would be possible to do this under all the circumstances. As the hon. member requested before, the actual nature of the complaint in some circumstances was that the security officer responsible be presented for confrontation.

Mr. Orlikow: Mr. Speaker, on a question of privilege, I have never said on any occasion that the actual person making the charge against an employee should be brought forward. What I said, and what I will continue to say, is that the nature of the charge should be told to the person concerned. In the Petersen case, Petersen should have been told that it was because his father-in-law was thought to be a communist that he was discharged from the navy. But in his case he was never told what were the reasons for his discharge. I have never said personally, either today or any other time—

Mr. Deputy Speaker: Order. May I suggest to the hon. member that he is arguing his case rather than raising a question of privilege.

Mr. Orlikow: No, Mr. Speaker. The hon. member said—

Mr. Deputy Speaker: Order. I suggest to the hon. member that the correction of a misstatement is not a question of privilege. The hon. member has the opportunity later on in debate to correct a misstatement.

Mr. Douglas: On that point, Mr. Speaker, he certainly has the right to correct some misquotation of what he said, and this is what he has done.

Mr. Deputy Speaker: Absolutely; but that should not be done under the guise of a question of privilege.

Mr. Douglas: The hon. member cannot speak again in the debate, so how else can he do it?

Mr. Deputy Speaker: Yes, the hon. member is entitled to speak a second time during the debate to make a correction.

Mr. Macdonald: I would point out that I have absolutely no intention of misrepresenting the hon. member's opinion, but I have a genuine belief from having heard him before and having heard him again today that that is what he was calling for, namely the right of confrontation in a proceeding similar to a judicial proceeding. If that is not his intention, then I thank him for making clear to me what was not obvious before.

What I was saying when I was interrupted was that hon. members have not come forward with any instances in which the procedure set out by the Prime Minister and which is now invoked with regard to security matters has failed. The examples which they brought before this house are examples which arose before this procedure, and I suggest that this is a good indication of the effectiveness of the government's measures at meeting this particular problem.

In the course of his remarks the hon. member for Winnipeg North made reference to the procedure which was established under the defence of Canada regulations. I would suggest to him that there is a very substantial difference between the basic merits being decided under those regulations and the very delicate issues being decided by the particular security tribunal concerned. I would point out that the defence of Canada regulations have been promulgated for the purpose of determining the status of someone in Canada during wartime so as to decide whether or not that person would be entitled to be free in our society. They do not determine whether that person would be entitled to access to restricted government information. I suggest, just as was suggested in the speech on October 25 by the Prime Minister, that you have in connection with these security regulations a much more difficult and subtle problem, the problem of determining in a particular case the reliability of a particular employee. That problem would have arisen in Canada in wartime apart altogether from the requirements of the defence of Canada regulations.

May I call it six o'clock, Mr. Speaker?

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A to inform the house that the question to be raised at ten o'clock this evening is as follows:

The hon. member for Timmins (Mr. Martin), shifting of ore from Timmins to North Carolina for processing.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed consideration of the motion of Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty King George V on November 21, 1921—three maple leaves conjoined on one stem—in the colours red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And the proposed amendment thereto of Mr. Diefenbaker.

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, it is with very close attention and indeed with respect that, the other day, I listened to the right hon. Prime Minister (Mr. Pearson) when he introduced a project for a national flag—three maple leaves on a white field with two vertical sections—and told us, at the same time, the significance for our country to have a truly national flag.

If, on some occasions, I do not always approve of the economic and especially of the financial policy of the government which, in many respects, I consider as retrograde, because it is not in keeping with the needs of more than three million Canadians who are living in want, it gives me pleasure, on this occasion to offer to the right hon. Prime Minister, my most sincere congratulations for the speech—transcendent on many scores —which he made on that occasion when he asked parliament to adopt the proposed national flag so that Canada may be given an emblem which will create a new patriotic climate in favour of our country a mari usque ad mare, because it will contribute to unite all Canadians, since it is a model or a design free from any foreign figurative symbol, and it will mean at long last that our country has attained its majority, that is the age when our bicultural nation reaches adulthood. By adopting that flag, we will give proof of our national maturity.

It is most amazing to see in this house and even outside some parliamentarians who have not yet cut the umbilical cord binding them to another country and who prefer to stagnate in a state of colonial immaturity. Their fanatic opposition to that flag design, typical of Canada in 1964, indicate that they are not true Canadians because even if they live in Canada their mind is elsewhere.

The right hon. Prime Minister, in his speech, said this:

The flags we have used for Canada have already changed as Canada has evolved from colony to self-governing dominion to independent nation, to a sovereign state respected among the states of the world.

In this evolution, the time has now come for another change by the adoption of a distinctive Canadian flag which cannot be mistaken for or confused with the emblem of any other country but Canada.

Those are the words of a prominent Canadian, more logical than those of a certain provincial premier who stated, in the last few days, that as long as he would lead his province, the government would fly the red ensign.

Such a statement, like others almost identical to it, reveal the worst kind of separatists that can be found in Canada. Ordinarily, I am a very accommodating man, but faced with such fanaticism and prejudice, I become uncompromising.

The Prime Minister proved with facts that the three maple leaves have a historical and heraldic importance. But, in my opinion, other reasons dictate the choice of the three maple leaves. At all times in history and ancient times, the figure three has been a good number. The three maple leaves express in fact a historical trilogy which marks the development of Canada: the French administration, the English administration, the Canadian administration.

On the other hand, from the viewpoint of natural resources, three leaves make a perfect trio and would show that Canada is a land of plenty, while one leaf would indicate a still life.

In science, three maple leaves could symbolize a triode, for in this automation age, a three-electrode electronic tube plays a major role in quite a number of electronic apparatus.

In music, the three maple leaves could represent a triplet, or three notes of equal value: French Canadians, English Canadians and new Canadians, all of them having equal rights under a bicultural confederation.

From the viewpoint of Christians, who represent the majority of the Canadian people, the Trinity symbolizes unity and, therefore, it is the most beautiful symbol which could grace the future national flag.

For all those reasons, Mr. Speaker, I approve of the proposed design unreservedly. Besides, as matters stand at present, this is no time for quibbling over this matter, for if we were to pick out a design to suit every

member's taste, we would have to approve of 265 different designs.

In concluding, may I add that having advocated for 25 years the establishment of a Canadian republic and called for the red ensign and the union jack to be set aside and replaced by a distinctive flag, I will vote for the three-leaved flag with great patriotic earnestness.

[*Text*]

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I must say that it has been years since a more important matter than our flag has been brought before the parliament of Canada. In many quarters of this house it is being treated too lightly. We have a flag in our country that has flown for many years. There may be reasons why we may need a more distinctive one. However, first, it must be shown to me that over 50 per cent of the people in this country desire that. It must be shown to me that there are good reasons for changing our flag.

This afternoon the hon. member for Northumberland (Miss Jewett) said the young people would like this new design and we should please them. I am glad they like this new design. However, there are many who were brought up to honour the design we have today. I have children, and they were taught to honour the flag that flies over our country today. I am sure there are many other young people throughout this country who have the same feeling as my children. We must remember our young people, but at the same time we must not forget the older generations, our fathers, our mothers and our grandfathers and our grandmothers, who lived under difficulties in the pioneering years to build Canada for the younger generation.

I rise, Mr. Speaker, to support the amendment for a referendum on this flag issue. We heard the hon. member for Northumberland (Miss Jewett) say she was not in favour of a referendum. I may say there are some referendums of which I am not in favour. As an example, I may cite the one held at the exhibition in Winnipeg last Saturday when the Liberal party held a referendum on the question of a sales tax in Manitoba. This is the type of referendum I do not favour, because as I stood there watching these people who were controlling the referendum, one young fellow said to the fellow worker in the booth, "I voted five times today". The other fellow said, "I voted 14 times". I am not in favour of a referendum under those conditions. I want an honest referendum held across this country by means of which the people can speak their minds.

I object, Mr. Speaker, to the way in which this resolution was put before this house and the dictatorial manner in which the Prime Minister (Mr. Pearson) refused his party a free vote. He held a hammer over the head of the opposition parties by saying, "You either vote for my design or we have an election". I am not in favour of that design. Before I resume my seat tonight, sir, I shall place evidence upon the record which I am sure should cause the Prime Minister to drop his head in shame. I am sure that every Liberal in this house and throughout the country will drop their heads in shame. I am sure this evidence will give those who are supporting this design something to think about.

This flag resolution, Mr. Speaker, is not the type of legislation which can be introduced in this parliament and amended in the next parliament. This is a moral issue across this country, an emotional issue. Speaking for myself, I may say I represent 58,000 people in this House of Commons. I have been sent here on three different occasions to represent these people, the last time with a majority of nearly 10,000. However, I do not feel I have the right to stand in this house and vote on behalf of the people on such a moral and emotional issue as interfering with our flag.

Some people might ask, how would a referendum work? I brought this up before in the house. I feel, sir, we should have a committee of all parties in this house to pick out three designs to put before the people of Canada. The first design would be the red ensign. No. 2 would be an alteration of the red ensign and No. 3 could be a green maple leaf on a red background. The people of Canada would then have an opportunity to choose No. 1, 2 or 3. By a process of elimination of the third and second choices, we would come to a decisive decision of 51 per cent, and whatever that 51 per cent decided I, as a true Canadian, would be glad to support. We understand that at the exhibition in Winnipeg last week, the New Democratic party held another poll. What was the result of that poll? Fifteen thousand people voted, and 75 per cent of them voted for a referendum on the flag. I wonder why there should be such a hurry about getting this flag. What's the hurry all of a sudden? On May 15 the Prime Minister listed the urgent business before the house and there was no mention of a flag. Then, suddenly, we have a flag resolution on the order paper. It appears as

though the flag resolution is nothing more than camouflage to cover up the mess this government has got itself into. The question of a flag should not be mixed up in politics in this way, or used as a means of covering up the weakness of the administration. We have a great deal of urgent business in front of us and we should set about choosing a flag in a better, more democratic way.

We have been united in this country for 96 years. No issue which has been before us has caused so much disunity across this country from ocean to ocean as this flag resolution we are now considering. It is a burning issue across the country. In my opinion it should be shelved so as to give the people a chance to think the matter over. Then it could be brought back into parliament in a more democratic way.

The main reason for the present confusion over the flag issue is that no one has taken the time to study the red ensign and teach it to our children. Let us look at the history of our Canadian red ensign. I should like to thank the Canadian Legion for much of the information I shall be giving in the course of the next few minutes. The Canadian red ensign has gradually grown up with the dominion until today it is the symbol of Canada's place of importance not only among the great dominions of the commonwealth but also among the nations of the world. By common custom the Canadian red ensign has been recognized as a distinctive Canadian flag, and this position was tacitly acknowledged and confirmed publicly by prime minister Mackenzie King, who in 1945 when welcoming General Crerar to the city, turned to the peace tower where the Canadian red ensign waved, and stated:

> And that, general, is another problem which your Canadian army has solved for Canada—the matter of our national flag.

Flags, national anthems, and other expressions of a united country grow out of the true history of a people, and the Canadian red ensign has grown out of Canadian history. Next to the staff, the red ensign has the union jack—the emblem which links together all the Queen's subjects. All the dominions use this jack in their flag, proclaiming themselves to be members of the great family of nations who, standing shoulder to shoulder in the last great struggle, sacrificed themselves to aid the oppressed peoples of the earth and who, by announcing to all the world that they will remain firm in that unity, can do so much to stabilize world affairs in the future, in peace as in war. Are we as Canadians ashamed to be known as a member of this great family? The union jack is a union of crosses of three saints—St. George, the patron saint of chivalry; St. Andrew, one of Christ's apostles who was martyred for his faith; and St. Patrick, a missionary who spread among the Irish the civilization learned in France. It is the union of these three crosses which gives special significance to the red ensign as a national flag for Canada.

It is not generally known that in 1921 the Canadian government especially requested His Majesty King George V to order a new coat of arms for Canada. This coat of arms is in use today, and the design of the shield has been displayed on Canada's flag. The Canadian red ensign is a distinctive flag of Canada. These emblems represent the early pioneers who were instrumental in laying the foundation of this great country—English, Welsh, Scottish, Irish and French—all branches of one great race who, coming together in the land of the maple leaf, built a nation of which all may be proud.

So the shield on the flag, while essentially as "new" as the young nation it represents, has its roots firmly in the past and speaks of the very beginnings of our race. The emblems on the shield date back to very ancient times. The couchant lion came to us from France and was the emblem on the flag of William of Normandy, and ever since 1066 has been incorporated in the heraldry of the British kings. The red lion rampant on the golden field is even more ancient. It was the emblem of the Scottish kings and came to them from ancient Ireland, where it had arrived from the east about 580 B.C. The harp emblem is equally ancient and was taken to Ireland by ancient Greek warriors. The fleur-de-lis of the fourth quarter of the shield is well known as the lily of France and held a proud place in the arms of the British kings from the time of Henry II down to the time of George III proclaiming the French ancestry of the sovereigns from the distaff side of the house. It should be remembered that it was this emblem, not the tricolour, which came with the French settlers into this country long before the tricolour was used in France. What we want in our flag, and what we have in our flag today, are the symbols treasured by the people who built Canada. The Pearson pennant is a pretty trade mark but it does not represent the sources of this great country.

In 1924, the Canadian parliament enacted legislation providing for the use of the Canadian red ensign on any Canadian building

abroad. Canadian troops fought proudly under the Canadian red ensign in world war II. The Canadian red ensign was carried by Canadians in Korea, and is carried today by them in Cyprus. All Canadian teams at the Olympic games carry the Canadian red ensign. The Canada Shipping Act states: "The Canadian red ensign is hereby declared to be the proper national colours for all Canadian ships."

An hon. Member: Until when?

Mr. Smallwood: I hear those trained seals yapping away there. They will have plenty of time to make their speeches when I am through. Until then they can sit down. When I am finished they will be able to make their own speeches.

The establishment of the Canadian red ensign through history, tradition and custom, was formalized on September 5, 1945, when our governor general signed an order in council which stated this:

> The red ensign with the shield of the coat of arms of Canada in the fly may be flown from buildings owned or occupied by the federal government within or without Canada... and it shall be appropriate to fly the Canadian red ensign within or without Canada wherever place or occasion may make it desirable to fly a distinctive Canadian flag.

It will be noted that the order in council stated quite clearly "a distinctive Canadian flag". Those who say Canada has no distinctive flag are either very careless with the truth or they are ignoring Canadian history.

I should like to put on record a letter which came to me here at the House of Commons. It states:

> The enclosed article is both interesting and informative. The red ensign has been authorized as our flag by four governments of Canada during the past 70 years, the latest being by order in council (PC 5888) September 5, 1945.
>
> The statement that our flag is not distinctive is, to say the least, erroneous. There can be no doubt in the minds of the Cypriots, Greeks and Turks, when they see the Van Doos and the red ensign, as to where these troops come from.
>
> In the Olympic games the whole world is represented and when Canada sometimes wins a gold medal everybody knows, when the red ensign is raised to the masthead, that Canada has now a world's championship.
>
> With the continued world wide success of Canada as a country, and the extraordinary individual feats of Canadians under this flag, it might not be amiss to wonder who or what is behind this movement to haul down our flag. We should be on our guard that we as Canadians are not being led up the garden path.

That is signed by "Conn" Smythe of the Maple Leaf Gardens.

An hon. Member: Where is "Red" Kelly.

[Mr. Smallwood.]

Mr. Smallwood: I will just give the trained seals a few minutes for a breather, Mr. Speaker. Since the order in council was signed in 1945, immigrants applying for Canadian citizenship are told by the department of immigration:

> The flag used as distinctive of Canada is properly described as the red ensign with the shield of the coat of arms of Canada in the fly. The flag consists of a red field, with the union jack in the first quarter next to the staff. The inclusion of the union jack signifies Canada's association with the other members of the British commonwealth of nations.

Outstanding French Canadians such as George Étienne Cartier demonstrated their grasp of British constitutionalism as they helped launch the young Canadian nation. Lafontaine, Lemieux, and Laurier drew upon the foundations of British political ideas. As Lemieux expressed it:

> If you ask me why I am a British subject and why I wish to remain one, I reply...that I prize most those institutions that secure me most strongly in our rights and liberties—

Many non-British immigrants have made it clear that they support the retention of a flag symbolizing a history in which they now want to participate. Writing as "a refugee from communist tyranny" Mr. Alex Bloschinsky of London, Ontario, states in the pamphlet: "The Canadian Red Ensign" distributed by the Canadian Legion:

> In Canada I have found freedom, law, and justice. I and other non-British migrants realize what we owe to the British institutions—constitutional monarchy, parliamentary government, and the rule of law. These are the great bastions of law, order and freedom.

Some hon. Members: Carried.

Mr. Smallwood: Mr. Speaker, I am now quoting from this pamphlet circulated by the Canadian Legion. While I am speaking on this question of a distinctive Canadian flag, it will not hurt to hold up this pamphlet to show the house the banner that is depicted thereon. Two million men served under the red ensign and 111,000 died for Canada under it. This is no time for us, as Canadian citizens, to be kicking this flag about as we are today. The pamphlet says, further:

> It is obvious that members of parliament who neither care about nor understand the great Canadian heritage which the Canadian red ensign symbolizes, or who perhaps will vote whichever way they think will further their political future in their party, cannot safely be left to themselves to make one of the most momentous decisions in Canadian history.
>
> This is not a party political question at all: it is one which concerns the very soul of the nation; it is one upon which every Canadian is entitled to have a say now that the government has insisted

that it is an urgent national question. If Canadians are not prepared to act in defence of the symbols of their heritage today, they are inviting the destruction of the very substance of that heritage tomorrow.

Some hon. Members: Carried.

Some hon. Members: Question.

Mr. Smallwood: Mr. Speaker, now that the trained seals have again had a little relaxation, I will continue. I would like to put on record an editorial which appeared in the *Globe and Mail* of June 15 last, written by Mr. Bruce West. It is a very fitting editorial and should be put on the record on this occasion:

Of the hundreds of letters on the flag question which have come to my desk in the past few weeks, a good 90 per cent are from correspondents who solidly support the retention of the red ensign. As I mentioned here before, it is difficult to individually acknowledge each one of these welcome notes or even to deal with many of them in this space. There are some writers who object to the idea of a national referendum being held on the flag issue on the grounds that this is a question which should be dealt with only in parliament by the representatives of the people. Yet, as the curtain rises on the flag debate in Ottawa, we are already being told that the adoption of the proposed maple leaf flag is a foregone conclusion. Under such circumstances, it seems that we who support the use of a referendum on this matter could hardly be blamed for wondering just how free and democratic will be the process by which the red ensign is being abolished as the flag of this country. There are others who say that a referendum might cause serious division and dispute in this nation. Yet, if the many who support the retention of the red ensign are ignored and legislation to provide a new flag is virtually railroaded through parliament, how much unity will such an action promote? Still others say that the whole question of what kind of flag we should have is a silly argument in the first place. I don't happen to believe that it is. I believe that the impatient efforts of many to discard a banner which symbolizes almost a century of our history may be a symptom of something gravely unhealthy in the affairs of Canada. I believe such an action might be one more large step toward the day when, stripped of our ancient background and heritage, we may stand as hardly more than another banana republic against the already powerful magnetic pull of our huge neighbour to the south. I hope I'm wrong. But I can't help feeling it, just the same. I feel that upon the day the red ensign is discarded, some vitally important threads are going to be removed from the already strained fabric of this country.

An hon. Member: Now you ought to read the Bible.

Mr. Smallwood: It wouldn't hurt you to read the Bible a little bit. The flag issue in its present form is bringing great disunity to this country. French and English people who have lived side by side, who have intermarried and intermingled over the last 200 years, are now saying they are being forced to split and take sides against each other on the issue. In western Canada we have many French settlers. Many are in my neighbourhood, and we live together and are good neighbours. These people say to me: "What is wrong down east? What is all this talk about? What is all this dissension about? We came west and were welcomed and are happy". Although the founding races of the country were French and English, Canada today is a country of many races. Other ethnic groups came to this country under our present flag looking for political refuge, and got it. Under our present flag today we have freedom of speech, freedom of religion and freedom of the protection of the law.

An hon. Member: You will change all that.

Mr. Smallwood: You would like to change it but you have not changed it yet, and there will be a lot of snow on the maple leaf before you do change it. Because of our history our Canadian flag must contain an emblem representing both English and French races. Therefore, if we should change our present flag we must retain the union jack in one corner to represent the English and the fleur-de-lis in the other corner to represent the French, with a large green maple leaf on a red background.

Now I come to the important point of my argument tonight. We have heard the argument that we need a new flag because our present flag is too easily mistaken for the British merchant flag; the Prime Minister and others have used that argument. I should like to turn to page 4319 of *Hansard*, where the Prime Minister is reported as saying:

Mr. Speaker, I believe that a national flag of the kind described in this resolution, that will be exclusively Canadian—

Remember those words "exclusively Canadian". On the next page the Prime Minister is reported as follows:

—I believe that the time has now come for another change by the adoption of a distinctive Canadian flag which cannot be mistaken for or confused with the emblem of any other country but Canada.

Some hon. Members: Hear, hear.

Mr. Smallwood: Hon. members are applauding now but they will not be in a minute. Mr. Speaker, you have heard those remarks. Hon. members opposite are concerned because the red ensign may be confused with the British merchant navy flag. I should like to

refer to "Flags of the World" by H. Gresham Carr which I obtained from the parliamentary library. On turning to page 190 reference is made to the flags of the Soviet union. There appear to be a lot of flags in the U.S.S.R., and this is what is said about the merchant flag of the U.S.S.R.:

> The ensign is white, and has a light blue border one sixth the depth of the hoist along the bottom of the flag. In the white portion are the star and crossed hammer and sickle in red—

I suggest that this proposed flag of the Prime Minister is not distinctive from any other flag. We want to destroy our red ensign because it is the symbol of the British merchant marine and replace it with a flag with the white background, the blue trim and the red of the Soviet union.

Some hon. Members: Shame.

Mr. Smallwood: This is a serious matter which should be considered.

[*Translation*]

Mr. Plourde: Mr. Speaker, on a point of order.

I should like to point out to the house that the hon. member has had the floor for 33 minutes. I interrupted only to point out to the Chair that the time of the hon. member should be checked.

Mr. Deputy Speaker: Order. Would the hon. member again state his point of order, as I was unable to hear it?

Mr. Plourde: Mr. Speaker, this hon. member has had the floor for 34 minutes. He started speaking at 8.15 p.m. I want to mention that the time must be checked.

Mr. Deputy Speaker: I may point out to the hon. member that, according to the rules of the house the hon. member is entitled to 40 minutes.

Mr. Bélanger: Mr. Speaker, to us it seemed as if he had been talking for 60 minutes.

[*Text*]

Mr. Deputy Speaker: Order.

Mr. Smallwood: Mr. Speaker, I remember when the former minister of agriculture was speaking in this debate and said that we know what we get when we cross a jackass and a horse. We have just heard them braying. Before I was interrupted I was drawing the attention of the house to the colours of the proposed new flag and its similarity with the Russian merchant marine flag, which has a white background, a blue border and the red emblem of the Soviet union in the centre of the white. I wonder why the Prime Minister wants to destroy our present flag and force on the people of Canada this design with colours the same as those used by Soviet union merchant vessels. This creates some doubt as to the judgment of the Prime Minister and his advisers and should make the blood of every true Canadian boil. This should give every young Canadian who is supporting this new flag concern for deep thought.

Mr. Speaker, the situation is even more serious now, and in view of what is taking place today I say with all sincerity that there are only two alternatives for the Prime Minister. One is to put this flag issue before the people of Canada by way of a referendum; or else he should resign.

[*Translation*]

Mr. Reynald Guay (Lévis): Mr. Speaker, I should like to add my modest contribution to that of the numerous speakers who have already taken part in this debate. But I shall be very brief, for it is urgent that our country should have its own flag.

In my humble opinion, there is no point in delaying the passing of the measure now before us by asking for a referendum, indulging in obstruction or suggesting that other bills should have priority, because the people want a flag and find ridiculous the objections put forward by the Leader of the Opposition (Mr. Diefenbaker), and the way he is wasting the time of the house by trying to delay the vote on this resolution.

Could it be that the Leader of the Opposition is afraid of the way some members of his party will vote, especially those from Quebec? Or is he conscience-stricken because he never did bring that measure before the house, despite the huge number of 208 members he had in his group then, when it would have been so much easier for him to give our country the flag for which it has been yearning for so many decades?

Our country needs this emblem to strengthen its national unity and to prove its sovereignty once and for all to the whole world.

As far as the referendum is concerned, I must say to the mover of this amendment that he missed his finest opportunity to conduct a public survey early in 1961 when he was prime minister. Allow me to quote from *La Voix de l'Est:*

> Mr. Diefenbaker has tried lately to advocate a referendum on the flag and the national anthem

issue. He reproaches the Prime Minister, the Right Hon. Lester Pearson, with introducing a resolution in the house on the subject and he maintains that only a referendum could reflect the views of the Canadian people on the selection of a flag and an anthem.

Is Mr. Diefenbaker sincere? Let us ask ourselves, first of all, if he held such a referendum during the six years his government was in office. The answer is no. Mr. Diefenbaker did not hold a referendum on the flag or the national anthem.

You can be sure that if he did not think about it, somebody made the suggestion to him in 1961.

Seeing that the Conservative government had been in office since 1957 and that no decision was apparently being taken in regard to a distinctive flag and a national anthem, a Liberal member placed a bill on the order paper of the house on January 24, 1961.

The bill was tabled on that day by the member for St. Jean-Iberville-Napierville, Mr. Yvon Dupuis. It was Bill No. 60, "to amend the Statistics Act".

Mr. Diefenbaker had in that bill everything needed to hold a referendum which would not have cost the government anything and would have revealed what the people thought about giving our country a distinctive national flag.

Mr. Diefenbaker had in the house the largest majority ever and there was a proposal he could easily have implemented himself while he was in office, which he is blaming Mr. Pearson today for not doing.

There we are. In 1961, an hon. member pointed out to Prime Minister Diefenbaker and his government how easy it would be to hold such a referendum at the time of the national decennial census, and that project which would have cost the country nothing and would have established the Right Hon. Diefenbaker in the people's mind was discarded.

We must therefore conclude that the present Leader of the Opposition was guilty of two glaring mistakes when in power.

1. He did not make any decision on the choice of these symbols.

2. He refused to ask the opinion of the people on the matter at the most convenient time during the last ten years, i.e. during the national census.

He is therefore unjustified to call for a referendum.

I have noted a very strange thing in the speeches of the members of the opposition, namely that almost no member has dared to say that he was in favour of a referendum.

We, Liberals, have promised the people in 1963 a distinctive national flag. The Prime Minister himself during the election campaign promised that such legislation would be passed within two years.

And, so far as I can see, the Canadian public trust our judgment. Besides, I feel a referendum is useless since, as representatives of the people, we have all received a clear mandate. It is up to us to take our responsibilities. If we fail to do so, the electorate will remember it at the next election and they will say and justly so that those who have tried to turn this important question into a political issue no longer deserve their confidence, and their judgment will be without mercy for those irresponsible members.

Consequently, let us pass this resolution as soon as possible; let us stop this childishness; let us act as responsible politicians and the people will be happy and proud of their elected representatives. The public expect a great deal from us; let us not deceive them. If we do not put an end to this, we will be ridiculed by the people and by the rest of the world and we will have deserved it.

I should like to quote this editorial which appeared in *La Tribune* of Lévis:

The government kept its word; the party now in office had promised in the last federal electoral campaign that if it were elected, it would take the necessary steps to give Canada a truly national flag, which, from sea to sea, would be the symbol of a true country.

From the Atlantic to the Pacific, indeed, but also in foreign countries. For, at the present time, it is not exaggerated to say that there are many people, throughout the world, who think that Canada is purely and simply a British colony. Evidently, the red ensign does not help them to think otherwise. For some years, we have been witnessing the birth of many new nations, especially that of the African countries, and we never heard of any particular problem when it came to selecting a symbolic representation which would be agreed upon and recognized everywhere.

As it seems, that in spite of "last minute" delays, the goal is at last within reach, we should rejoice, while just feeling sorry for some members of the "old guard" who refuse to admit what reason, logic and the example of other nations should impress upon us as an unquestionable fact.

Of course, those people may, for some obscure and hidden reason, have a secret preference for a Canada which would not be free but would have to continue "in vitam aeternam" to solicit from a foreign (though friendly) government the ratification of bills and legislation which concern no one but Canadians.

Traditions are a fine thing, but when, to maintain them, national honour, and, by that very fact, part of everybody's individual honour have to be sacrificed, would it not be better, once for all, to abolish those traditions replacing them by mutual goodwill, a spirit and atmosphere of freedom and total respect for the sovereignty of others?

To act, and even to think otherwise, would be to counter progress, to regress, to go backwards, in brief, to do the opposite of what the peoples of the world and individuals everywhere seek to attain.

In respect to the suggested referendum, the very fact that there have only been two plebiscites in this country's history and, I understand, none at all in the whole history of the United Kingdom, would indicate that such formula is not part of our governmental system.

We have here a symbol around which all Canadians, new and old, Canadians by birth, or naturalized Canadians of every racial

origin may rally, and which may be the centre and the core of their loyalty to Canada.

I think therefore that the content of this resolution is daring, logical, wise, and that it deserves the support of the house and of all Canadians.

If I may, Mr. Speaker, I would like now to quote the speech made by the Prime Minister when he introduced this motion in the house:

> Mr. Speaker, I believe that a national flag of the kind described in this resolution, that will be exclusively Canadian. will bring us closer together; give us a greater feeling of national identity and unity. Today especially, as Mr. Massey has reminded us, we need faith and confidence in ourselves as Canadians, with pride in Canada, devotion to our country. I believe that the adoption of this resolution will help to produce that result. If I did not deeply and sincerely so believe, I would not be introducing it into this House of Commons.
>
> Mr. Speaker, this flag, if it is adopted by this parliament, will stand for one Canada; united, strong independent and equal to her tasks. It will recognize that we cannot be saved or sanctified merely by the valour and devotion of our ancestors. It remains to us in each new generation to do our own duty in changing conditions.

To conclude, I want to tell the house that I will vote against the amendment moved by the Leader of the Opposition, but I will be very proud to vote for the resolution, because I will be happy to tell my children in later years that in 1964, I voted for this flag which is our pride, because I was not afraid to assume my responsibilities and to act as a true Canadian, a true member of parliament and a true representative of the people.

Mr. Pigeon: Mr. Speaker, may I direct a question to the hon. member for Lévis?

Mr. Laniel: Is the question in order?

Mr. Guay: Yes.

Mr. Pigeon: The hon. member said that he would vote for the maple leaf flag. I should like to ask him whether he will vote for the union jack.

Mr. Guay: Mr. Speaker, I would answer that question, since the hon. member—

Mr. Deputy Speaker: Order. May I suggest that the hon. member's question is out of order, since we are not discussing the union jack resolution.

Mr. Pigeon: You saved him from the rope, Mr. Speaker.

[*Text*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I think it might be safe to say that students of parliamentary government, and I think all members of the house are that, generally regard as a sort of bible of the duties and the functions of a member of parliament Mr. Edmund Burke's very famous speech delivered to the electors of Bristol well over a hundred years ago. In this speech he set out what the duties of a member of parliament are, and the reasons that he gave are just as valid today, even with radio, television, increased literacy, the press, magazines and other media of public information, as they were when he first set out his dicta. In his speech, as I am sure many hon. members will recall, he points out the difference between being a delegate of the people in the constituency and being a member of parliament, and I think this is a very important distinction to make.

I have had a number of letters, and I am sure other hon. members have had letters as well, saying that it is the duty of parliament and the members of parliament to make a decision on the flag matter. In most cases when I receive such letters I would most certainly agree because that is what members of parliament are sent here to do. As Burke pointed out in his famous speech, members of parliament are sent to parliament to do a number of things. They are sent to parliament to approve the government spending program, to pass legislation and to bring matters to the attention of the public. A great many people, particularly, I am sorry to say, some of those in the field of public media and communication, seem to have forgotten what the function of parliament is. The purpose of parliament is to discuss matters, not to sit apathetically by and accept without proper discussion any proposition that any government puts forward.

To get back to the question of the duty of a member of parliament and what his function is, Burke pointed out very well that since a member of parliament has at his or her disposal the essential facts on any public issue he or she is in a much better position to make a decision on that matter than most of the constituents. There may be some instances where some of the constituents are very well informed but, speaking in general terms, when a public issue comes up a member of parliament is informed or has the opportunity to be informed on the matter to a greater degree than his or her constituents, and it is for that reason that he or she must make the decision.

In 99.9 per cent of all cases this is undoubtedly true, but like most other things that affect human relations and behaviour there are always exceptions because human beings, thank fortune, are not things of metal or stone or computer machines. They have their idiosyncracies, and the exception when a member of parliament is not in a better position to decide certain matters is when he runs into matters of a deep moral or emotional character such as the question of capital punishment, for example. People have very strong personal views on this matter. Matters such as capital punishment are not matters that can really be made political issues because there are enormous differences of opinion even in any political party on such matters, and since these are moral or emotional issues any individual in the country has just as much right to express his or her view on the matter and can do it just as well and just as sincerely as an elected representative.

In my opinion such is the case in the very unique and unusual situation we have before us today, namely the choice of a national flag. This is not a question where a member of parliament has any additional or better information than any of his constituents. This is a moral and emotional matter, one of deep emotional feeling, and every individual in the country has just as much right as a member of this house to express his or her views, because no special knowledge is required to make a decision. This is a moral and emotional issue, one about which there are very deep feelings, as has been made all too evident in the house to date.

Mr. Brown: Would the hon. member permit a question?

Mr. Nesbitt: Certainly.

Mr. Brown: Would he explain to us in what way this issue is a moral matter?

Mr. Nesbitt: I said moral and emotional. The hon. member for Brantford may not regard it as a moral issue but I have had correspondence indicating that a great many people do. Maybe he does not, but that of course is his business. So far as the flag is concerned, I think the people should be able to express their views on the matter.

It has been pointed out that in the history of this country we have had two plebiscites or referendums. One was on the consumption or non-consumption of alcohol and took place in the last century.

Mr. Byrne: That is a moral issue.

Mr. Nesbitt: That may have been regarded as a moral issue, as the hon. member for Kootenay East points out. That matter was decided by a referendum. Then there was the question of conscription. I do not think that issue was exactly a suitable one for a referendum or plebiscite, but this again is arguable. My view is a personal one and I point out that in that case the government and the members of the house had knowledge at their disposal which their constituents did not and could not have because of security reasons. In that case, the government was in a better position to make a decision. As all of us know, there were other matters involved in the question of conscription. There were racial matters and other things involved, and for that reason it is arguable that it was probably a good idea to have a referendum.

However, I do not believe the case for a referendum on the matter of conscription during the war is the same as the question of a flag. Apparently some of those who supported a plebiscite on the question of conscription are not at all anxious to extend the same courtesy to people from other parts of Canada who feel equally strongly on this matter of the flag.

What do the people of Canada think about this question of a referendum? One hon. member who spoke a short time ago pointed out that a poll was conducted recently in the city of Winnipeg in which 15,000 people cast ballots. I understand the poll was conducted as a public service by the New Democratic party.

Mr. Herridge: Free.

Mr. Nesbitt: Free, as the hon. member for Kootenay West (Mr. Herridge) points out. I understand from press reports that 65 per cent of the 15,000 favoured a referendum on the subject of the flag. I requested a daily newspaper in my city to conduct a plebiscite in a small way in my constituency. I might point out, Mr. Speaker, that contrary to some views I have heard expressed privately around here, my constituency is not one with a solid Anglo-Saxon background. There are a large number of ethnic groups, if I may use that word, particularly those of German extraction as well as Belgian, Hungarian, Polish and other extractions. Recently a large number of people from the Netherlands settled in this area and became citizens of this country. These people have told me they favour retention of the red ensign because this was the flag they remembered helping to liberate them from

the Germans during the last war. It is for this reason many of these people favour this flag.

However, the newspaper was kind enough to print a ballot showing a picture of the red ensign and a picture of the flag proposed by the Prime Minister (Mr. Pearson). The people were told to mark an X opposite the one they preferred and send the ballot to their member of parliament. The result was very interesting. I have all the ballots here. Those preferring the red ensign totalled 988, while those preferring the maple leaf design advocated by the Prime Minister totalled 184. The people were not required to sign their ballots, but a good many did. I was interested to note that, strangely enough, the majority of those preferring the maple leaf flag seemed to be of Anglo-Saxon extraction, while a large proportion of those favouring the red ensign were of non-Anglo-Saxon extraction. This is something which surprised me a bit.

Many members here believe that as a result of reading newspapers and letters they know what the people are thinking about in Canada. However, I do not believe any of us really know as much as we think we do. It takes a method such as this to find out what the public really are thinking. In addition to these ballots, of course, I have received about 400 or 500 letters from persons. Making a rough calculation, I think I have received about 1,500 representations on the matter from the centre part of my constituency. This comprises the city of Woodstock and the town of Ingersoll, approximately 34,000 persons. Assuming there was one ballot per household, I think this gives a fair cross-section of public opinion on the matter.

Someone may say, well, we have listened to your speech and you have pointed out that in this case a member of parliament should be the delegate of his constituents. Why would it not be all right then for every member of parliament to conduct a sort of referendum in his own constituency and then he would know the views of these people? A national plebiscite would then not be necessary. This argument might have been very well a short while ago, but this procedure is no longer possible because of the manner in which the issue has been presented. After speaking to a great many people, I would say this, that while there are differences of view about the flag design I found no difference of view about one thing. All these people were very critical of the method used by the Prime Minister in presenting this matter to parliament.

If the Prime Minister had suggested this design and said, "This is a matter of conscience, this design of the flag, so let members vote as they wish on it", I do not believe many people would have had too much objection to that method at all. It would have been quite agreeable. Instead of that, the Prime Minister said, in effect. "This is the flag I am proposing and if it is not adopted by this house there will be an election, the third one within two years". Nobody in the country, but nobody that I can think of, wants an election. The public certainly do not and I do not believe many hon. members in this house do. The Prime Minister made quite certain that the members of his own party would not dare to withhold their support on the matter, although I think perhaps one or two are not going to support it. Some other groups in the house feel that they must support the Prime Minister's flag, for various reasons, one of them being they realize the public do not want an election.

Another reason that I think the method that has been chosen to deal with this matter is unfortunate is that we hear around the country the new flag being called the "Liberal flag". I cannot think of anything more unfortunate than having a political label attached to a symbol which, at some date, may well become our flag. This is a very unfortunate thing, and I am very sorry to hear this reference being made. I say that very sincerely. However, the situation has been precipitated by the Prime Minister and his advisers as a result of the method used to present this flag to the house.

I do not believe the Prime Minister or anyone else should arrogate to themselves the right to design one of our national symbols and place it before parliament. Then, because of the unusual voting situation in this house at the moment, and because of the fact we have had two elections, he virtually forces it on the house. He says, "My design will be accepted or there will be an election." I do not think it is fair; I do not think it is right. Quite frankly, Mr. Speaker, I am most surprised to find the Prime Minister doing this because he has a great reputation in the field of foreign affairs.

It was because of his ability to make compromises and see different points of view. This way there is no compromise possible. There is no consideration whatever for those who wish to express their views, or who do not agree. They are being trampled on. It

seems to me to be out of character for the Prime Minister to do things like that in this country.

An hon. Member: May I be permitted a question?

Mr. Nesbitt: I have had one question already. Time is getting on, I see. At the conclusion of my remarks the hon. member may ask all the questions he pleases.

I suggest it would have been better if the Prime Minister had formed a committee of members of all parties in this house and the other place and had requested that committee within a set and limited time to recommend a design for a Canadian flag. I remember a judge saying to counsel in court during discussion of a damage action settlement, "Have you two gentlemen reached a mutually satisfactory agreement on the amount of damage?" One counsel replied, "Mutually unsatisfactory, my Lord". I imagine if a committee were formed and told they had to make a recommendation within a certain time probably the decision would be mutually unsatisfactory but there would not be just one point of view; at least there would be a compromise of viewpoints in the design.

There are many of us who feel strongly that something in this flag should represent our traditions and institutions. I of course mean that the union jack should form part of our flag. It forms part of the New Zealand flag, part of the Australian flag, and part of the flag of the Union of South Africa, and I am sure my friends from Quebec would hardly call the Union of South Africa a British colony. Yet they retain it and do not find it offensive. The state of Hawaii in the United States retains the union jack as part of its flag because of its traditions, and no one would think that the state of Hawaii was a British colony. Other people think there should be no connection with our institutions or tradition in the flag, urging that we should have something new, regardless of whether it is good or not. I agree, having heard the speech of the hon. member for Leeds (Mr. Matheson) and of the Prime Minister that there is some connection in some of our traditions about the three maple leaves. That we know. But to most people those three leaves do not mean very much; they have to dig around in history books to find where they came from, and I am sure most of us in this house when we learned their origin from the hon. member for Leeds and the Prime Minister were rather surprised to find this out, though I agree it is quite accurate.

We have heard many speeches saying that the flag of Canada should be a distinctive flag and I quite agree. Again we run into a little problem of semantics. Distinctive means one thing to one person and another to another. Certainly to my friends in the province of Quebec, distinctive means one thing—anything as long as it has not got a union jack in it. To people in other parts of the country distinctive means a flag of unique design which cannot easily be confused with another flag, not even with the Russian merchant marine flag as was pointed out a few moments ago. In that regard I am not at all convinced that there is a strong opposition to the use of the union jack in the province of Quebec as has been pointed out. You may ask what I know about the province of Quebec. I do not know much about it, except that last March I made a speech in this house on the subject of a flag, long before this debate started, and I took the liberty of submitting to the house a proposed modification of the red ensign which I considered might be suitable as a compromise. It was a white ensign with a green maple leaf on the fly and three fleur-de-lis, because I felt strongly that not only the union jack should be retained as representative of our institutions but also that some symbol representing French Canada must be on the flag because, after all, it was the settlers from France who really started this country in the first place and I certainly feel some equally strong representation should be on the flag we have. I feel very strongly and sincerely about that.

In any event the flag was drawn up. A design was made by the Montreal *Star* and it was published on the front page of the second section. I received a great many letters from people living in the province of Quebec, a good many of them in French which, while I do not speak it very well, I can read as well as English. Much to my surprise the only objections I had then to the flag design were from ultra old school tie Anglo-Saxons. I did not have any objections from French speaking Canadians. All the letters I received from Quebec on this matter were favourable, stating it was a good design and a good compromise. I am not at all sure that a number of members are not being influenced by a minority view in the province of Quebec. It is true that since the Montreal *Star* is an English newspaper perhaps a number of people would not have read it, but apparently the Montreal *Star* has some circulation in

the French speaking parts of Montreal because as I have said quite a number of my letters were written to me in French.

The next question, and this is perhaps the biggest question of all concerning the flag is, why now? Why is this matter being placed before parliament at this time and why do they tell us we shall have no chance to get back to our constituencies and find out what our constituents' problems are until this measure has been passed. I have heard it said by members of the Liberal party that this is one of their election promises and they are only carrying it out. That is true, but I do not think it was one of the principal promises made during the election campaign. As far as that goes there were a great many other promises made by the Liberal party in the last election which have been completely broken but which are far more important. I refer to the Canada development fund. And how about those students' free bursaries which were going to be given away? That has been watered down and changed to something else, like a good many other things about which I do not intend to take the time of the house at the present time. I say these other promises are not being kept and are being forgotten, promises as important as this one. Yet there has been no adequate explanation of why this must be dealt with at this time.

In any event the Prime Minister in his election promises said there would be a flag within two years. Well it is just a little over a year. There is plenty of time to appoint a committee of all parties in this house to arrive at a design, or a committee composed of representatives of each province which would probably be equally acceptable, equally good. There would be plenty of time to have a plebiscite on the matter to allow the people to express their viewpoints—lots of time, and still be within his election promise of two years. There is no reason at all why this should not be done. Then, as has been pointed out many times, only last month the Prime Minister told us of the urgent business which must be completed before any summer recess. In the first instance the flag was never mentioned, and then it was suddenly there. Why this indecent haste? Because there has been no adequate explanation from the government a great many people are beginning to wonder. Throughout the country, certainly the parts of the country in which I travel around, one hears this: Oh well, it is pressure from Quebec which has forced the government to bring this issue on. That is one thing being said. It is also suggested that it is a cynical attempt by the heads of the Liberal party to try to get votes in Quebec, because they are going to have an election fairly soon. That is being said. Then there is another thing that is being said—that it is a *quid pro quo* obtained by Mr. Lesage and Mr. Lévesque for agreeing to the constitutional amendment to bring in the Canada pension plan.

These are the things that are being said. If the government does not know it, it is high time they found out; because I can think of nothing more divisive to this country than the type of talk that is going on. And the reason for it is that no explanation has been given to this house or to the people of Canada as to why this particular design must be forced through—and I repeat this—in such indecent haste. There is no reason for it.

We talk about the flag becoming a symbol of national unity; that is what the last speaker, the hon. member for Lévis (Mr. Guay) said. It is becoming—and in fact has become already—a symbol of national disunity, because there has been no explanation in this regard. When people do not have explanations, they begin surmising; and what the people of Canada are surmising are those things I have mentioned. Nothing could be more destructive of our country than this. I sincerely dislike hearing things like this, because for years we may have to live with the dissension created by this particular matter. This morning the *Globe and Mail* in an editorial pointed out that the representation bill, which will re-allocate the federal constituencies, is a most important thing and asked why it is being shelved and put away. We do not hear any more about that particular measure.

Mr. Deschatelets: Don't tell me that you don't know the answer.

Mr. Nesbitt: I know that my hon. friend will say that the opposition has filibustered. I have heard it said that this is what the opposition are doing. This did not seem to worry the Prime Minister over the flag, but apparently it did worry him over the redistribution bill, which is something very much more important. This debate is engendering a great deal of bitterness all over the country, which is most unfortunate. To be perfectly fair, I do not think the Prime Minister intended this to happen; I do not believe for a moment that he did. But he has received some awfully bad advice from some of his advisers,

who should have been able to foresee what would happen. This question is now turning into a regular donnybrook all across the country, and it is not helped by some of the remarks that have been made in this house. In addition, it is not being helped by some of the extremist views expressed on this subject, and letters sent to the newspapers.

It certainly has not been helped by a couple of things that have been said recently in what I have always considered to be a reputable and responsible newspaper. I refer to the Ottawa *Citizen*. First of all there was that shocking cartoon libelling all the ex-servicemen in Canada, and then only last Tuesday they printed another editorial calling everybody a vigilante who dared stand up in this house and make any remarks that were not favourable to the Prime Minister's flag design. The implication of "vigilante" is that one is a lawless thug, and when a newspaper such as the Ottawa *Citizen* refers to members of this house, by implication, as lawless thugs because they dare to get up and express the views of their constituents, it is a very shocking thing indeed. I would hope that this newspaper would reconsider its remarks very carefully. It has been said that a plebiscite on the matter of the flag would divide the country. That is all I have ever heard said. Nobody ever said why. This has been done already. Most of the people I have talked to who are in favour of the red ensign have said, "We would be perfectly content, if a plebiscite were held, to accept the results of it; but we do not like the way this thing is being forced down our throats by the Prime Minister and his party. If there were a plebiscite taken, regardless of the result we would accept it." I am quite certain that the people of Canada would do that.

In conclusion, Mr. Speaker, I would like to say this. I have already said that I think the Prime Minister was badly advised when he decided to bring this matter before parliament at the present time. It has already created great disunity, great bitterness in this country; and it will create more. I do not think anyone would criticize the Prime Minister at all if he changed his course of action and withdrew his flag resolution at this time and chose one of the many courses of action that have been proposed by members of this house. It has been suggested that this matter be referred to a parliamentary committee. Others have suggested that it be referred to a committee of the provinces, putting a time limit on it so that no one could say it was being stalled. A number of suggestions have been made. It is not for me to say which is the best one, but I do not think anyone would blame the Prime Minister if he took one of these courses of action.

I have heard some of my Liberal friends say, "If we did that, we would be accused of retreat". Well, the Prime Minister has retreated on a good many other things, and I think he would have some very good reason to change his viewpoint on this matter. I do not think anybody would criticize the Prime Minister if he said, "Because of the great row that has been stirred up in Canada, quite unexpectedly, over this flag issue, I would like to reconsider the matter, refer it to a committee and see if we cannot arrive at some kind of compromise design for the flag". A design could be arrived at that all members could support, and would support. Then the government could get out and sell it, and after a period of six months a plebiscite could be held to see whether the people of Canada were prepared to accept the new design. I think the people would accept a new design if this course of action were followed. The thing which people resent is that only a minority of this house and a minority of the representatives of the people of Canada, those who support the Liberal party, have had any say in this matter. I rather gather, from what I have heard, that very few people of the Liberal party had any say in the designing of this flag, either.

Mr. Pugh: Or even support it.

Mr. Nesbitt: I think the thing that really bothers people is that they have not had any chance to express their view or have any say as to what they consider should be the design of this flag. All of us want a distinctive flag, but it is the method that has been used to go about it that has chiefly concerned the people of this country. I would appeal to the government to change their present course of action and try to work out a design that is acceptable to everybody. They should consult with all the members of this house on this question. Surely the members of the Conservative party, the New Democratic party, the Social Credit party and the Creditistes have as much right to express their views as to what our design should be as has the Prime Minister or the Liberal party. Surely it is to be our flag, and we should have some right to express ourselves. But no; the position the government takes is this, "You can talk all you like, but we are not going to pay any attention to what you say". That is the attitude that is adopted. Therefore I can truthfully

say that I think everybody is very justified in resenting this method of approaching the problem.

I would certainly hope the government would decide to change its course of action and let the rest of us in Canada, who are just as good Canadians as those who sit on the government benches, have some say in the choice of our flag.

Mr. Prud'homme: Mr. Speaker, may I ask the hon. member a question?

Mr. Nesbitt: Certainly.

Mr. Prud'homme: Was the red ensign, which the hon. member and many of his colleagues favour and want to retain as the national flag of Canada, chosen by a referendum or a plebiscite?

Mr. Nesbitt: As I recall, Mr. Speaker, it was chosen by a Liberal prime minister of Canada, Right Hon. William Lyon Mackenzie King.

Some hon. Members: Hear, hear.

Mr. Vincent: And approved by St. Laurent.

Mr. Moreau: Mr. Speaker, would the hon. member reconcile, for the benefit of the members of the house, a statement that appeared in his column of May 30 in the *Sentinel-Review,* in which he stated that his personal choice for a Canadian flag is the red ensign, with the speech he made on March 2 of this session, as reported at page 443 of *Hansard,* in which he said:

> Is the red ensign a distinctive flag? In some ways you could say it is, but outside of Canada it has been my experience, Mr. Speaker, that despite the coat of arms on the fly the red ensign of Canada is confused with the merchant marine flag of the British navy; to foreigners it looks very much like the old "red duster" of the British merchant marine; and in some cases it is even confused with the Bermudian flag.

How does he, speaking earlier in March for a distinctive flag, reconcile that with his comments on May 30?

Mr. Nesbitt: Very simply. I still prefer the retention of the red ensign. I agree that in some ways it is sometimes confused abroad. I would favour, as I have already said, making some modification to make it more distinctive, but I prefer the red ensign, and infinitely prefer it to the present design proposed by the Prime Minister.

Mr. O. J. Godin (Nickel Belt): Mr. Speaker, it is with great pride that I take my turn in this debate following many of my honourable colleagues in discussing what I feel is one of the major issues and events of this century. In doing so, like a few others I wish to be brief on the subject. Above all I will endeavour to indicate throughout my remarks the respect I have for those in the house or elsewhere who do not necessarily share my views on this great Canadian problem.

First of all, I should like to make reference to my file on this matter and indicate to the house that it goes back to the early thirties. However, I should like to refer specifically to matters of more recent date in it which will definitely bear more on this debate.

I believe I can honestly say that approximately 200 personal letters have been received by my office. I must admit I have received a great quantity, 40 or more perhaps, consisting of printed matter and to which I attach less importance, because anyone could print a letter and send a copy to each hon. member or have other people send the same printed letter to all hon. members. Over and above the 200 letters, I have received 50 personal letters enclosing a flag design, which is an indication to me not only that the writers favoured for our country a distinctive Canadian flag but that they also tried to indicate what in their view may distinctively represent the will of our nation and its soul abroad. Obviously these 50 letters are in favour of a distinctive flag. Also amongst the 200 letters I have counted approximately 20 which definitely indicate the wish to retain the red ensign.

As I followed the hon. member for Oxford (Mr. Nesbitt) I recalled that last November I had the good fortune to represent the Canadian government at the commonwealth conference in Malaysia. At the opening of the lovely parliament buildings there I had to notice the flags flying in front of these new parliament buildings, and like every other member of the delegation I looked at these flags flying at a distance because their arrangement did not permit closer examination. I recall that I indicated to some member from another nation which of the flags was the Canadian flag. At that time I presumed that the red ensign was being used for that purpose. A few days after the conference opened I was told by one of the personnel in charge of the bands and other matters of that nature that the flag to which I had pointed on a few occasions as being the Canadian flag was in fact the flag of Bermuda. As we all know, Bermuda is a colony of England, and one of my good friends at the conference, Colonel Tucker, who was the Bermudian representative, indicated to me that they are very well

satisfied to remain a colony of Great Britain. This just helps hon. members to realize the importance of having a flag which would be truly Canadian and distinctive as such.

I should like to pay tribute to many people in this nation who have helped this parliament to bring about the discussion now taking place to provide a distinctive national flag for Canada.

[*Translation*]

Mr. Speaker, allow me to extend well-deserved congratulations to the hon. member for Lévis (Mr. Guay), my colleague on this side of the house who spoke before me, for his very wise remarks.

I would like also to congratulate the hon. member for Chicoutimi (Mr. Côté) who, speaking for the Social Credit party, expressed so well a little earlier his views on the distinctive flag proposed for our country and his decision to support it.

[*Text*]

I think we owe thanks to many groups in Canada for the many years work they have done to make sure that the Canadian people and the representatives of the people realize from decade to decade the importance of adopting a distinctive national flag. I am sure hon. members will appreciate it if I make special reference to the Native Sons of Canada. I carried on correspondence with this association in the early thirties and they are the type of group which have presented their views on this matter. I should also like to make reference to the league for a Canadian flag of the province of Quebec, which has done great work in making sure that all people who want to be informed on the values and significance of flags should be so informed.

It has been said that the proposed flag would either bring about unity or disunity. I am one of those who feel certain that Canada can be united, and in a way which would be permanent, by the adoption of a distinctive flag, which would mean that every Canadian from sea to sea could point to the insignia which would be the flag of Canada and could say: "This represents me. I am a Canadian".

I should like to recall the words used a moment ago by the hon. member for Oxford, who apparently found occasion to indicate the wishes of the Anglo-Saxons, the French, and others. I feel all Canadians could find in a national flag, a flag which is distinctive, a flag which is unique, a flag which caters to no one in particular, something whereby they could unite.

Mr. Churchill: That is right; it means nothing.

Mr. Godin: I respect and appreciate the view that we should adopt the red ensign because certain people feel it should be retained. I admit the sentiments behind this. I appreciate and respect them; but surely it is a different matter when the government offers an emblem to every Canadian, an emblem which can represent each and every one on equal terms.

I know there are people who will say, "Accept this one; it is most favourable to us. It may not necessarily appeal to you but please conform to our wishes." While I respect their wishes I believe that something which is not Anglo-Saxon or French, and that does not pertain to any other national group, should be used to unite our people. In bringing this proposal before the house I trust no one will blame the Prime Minister by trying to indicate that those who favour a truly distinctive Canadian flag are disloyal to allies from whom we have received so much and whom we respect. That should not be the case.

I recall being invited to speak to a branch of the Canadian Legion in my riding, and I told the members I would indicate to this house what happened at the end of the meeting. The president of the meeting requested a standing vote on the red ensign and the great majority of the members present, some 75 or 80, stood up in favour of the ensign. But I must also tell the house that some members did not stand. I also recall speaking to a meeting at the Carl Nesbitt school in my riding, and these were but two instances during recent times when I was invited to speak on the flag question. At that second meeting somebody indicated that it was disloyal to, shall we say, put aside the red ensign, and I had occasion to tell the group an incident which took place some years ago when a gentleman came into my law office seeking advice.

He was what we sometimes refer to as a new Canadian and he was asking me how to go about changing his name. His name was Sienkiewicz, I recalled that was the name of the author of "Quo Vadis", a book which I enjoyed reading very much. I asked him if he were related to the author and he told me his family considered they were. He told me of his parents who were still in his motherland and how he would like to see

them here in Canada enjoying the liberty which Canada gives to Canadians. I ask you, was this gentleman pushing aside his family in wanting to change his name? Not at all; I recall he took pictures of his family from his wallet and showed them to me. Notwithstanding his love and affection for those he left behind he was trying to give himself something that would be more suited to the country he was now enjoying. Therefore I say let us not try to play on words. indicating that because we want something which will be truly ours that we are pushing aside others whom we have always respected and will continue to respect.

Some people say that a referendum should be held on the flag issue. The hon. member for Oxford (Mr. Nesbitt), who preceded me, seemed to be surprised by the fact that the Canadian parliament is discussing a national flag. He seemed to think that this was something which has come about suddenly; but I can tell him that as a Liberal for many years, and more specifically during the last two election campaigns, my program and that of my party has always included a distinctive Canadian flag. In fact I believe that all parties in this house have included a distinctive flag in their election platforms.

I have heard some hon. members especially those on the Conservative side, say that we do not seem to know what a distinctive Canadian flag would really mean. Nevertheless as I have said, it is part of the platform of all parties and it should not be any surprise that parliament is now being asked to decide the question; it should not be surprising that we who begged votes are now being asked to do what we promised to do. It is in the fulfilment of promises that in a democracy such as ours we are able to give the people those things for which democracy stands. Our people know, through the democratic evolvement of our parliaments, that they will obtain a full degree of maturity.

Before closing I should like to say a word or two about an official flag which, according to the right hon. Leader of the Opposition, would be the red ensign. I have heard many speeches in this house and elsewhere which would lead one to believe that we do have an official Canadian flag at this time, but I believe the case was very well put by the Prime Minister, on the opening day of this debate, when he indicated exactly where the law stood, and that permission was given in 1944 or 1945 permitting the use of the red ensign until parliament took action. That is what we are now doing in 1964.

If it were so, that the order in council really meant granting a distinctive flag for Canada, how could the Right Hon. Mackenzie King, the man who was the author of that order in council, proceed the following year to demand that a committee be established to study the flag which Canada might give itself?

I have had occasion to travel throughout Ontario recently and was asked to speak to the children at the Carl Nesbitt school in my riding. I had been invited to speak on the flag question and I first congratulated the students for their interest in this great national problem. I said I should like to start by asking them this question: Have we an official flag in Canada? A little girl in the front row got up, as did a young lad in about the tenth row. I said, "Yes, young lady", and she said, "No, we do not have an official flag in Canada". I said to the young man, "What is your opinion?" He said, "Mr. Godin, we do have an official flag." I said, "You say we have. Which flag is it?" He said, "The red ensign". Then I said, "We can now start the discussion. I should like to indicate my views to you, and my views are those of the young girl." I told them that I must prove my views just as I must prove them to the house tonight. I said to them, "The best proof I can give you is that as I drove up to the school I looked up at the flagpole and saw the union jack flying there, which we all know is the flag of another nation."

Mr. Grafftey: It is in the second resolution.

Mr. Churchill: What are you going to do about the second resolution?

Mr. Godin: It is out of order to discuss the second resolution now, but I might make this remark. The second resolution does not pertain to the flag of Canada, which is what we are now discussing. We are now considering the resolution which, if passed upon favourably, will grant Canada a distinctive national flag. I have no quarrel with granting respect to the attachment that some people may have for the monarch of Canada and the relationship that has existed between our two countries.

When I told these school children what flag was flying over their school it was in the presence of the members of the school board, the principal of the school and 17 or 18 school teachers. I said to them, "Young children, surely if we had an official distinctive national flag the school board would not fly the flag of another nation over this school".

That surprised the principal and most of the people there, I am sure. Therefore with regard to the question of one flag being official I think that the remarks of the Prime Minister (Mr. Pearson), based on facts, based on the history of the flag situation portray the true picture.

Today in 1964 we are doing precisely what people in 1944 thought we should work toward. I trust that members of this house, accepting their responsibility to represent the people who elected them, will decide this question on the basis of the evidence presented to the house and that Canada will be favoured with a distinctive national flag through which and by which, I am sure, all groups will be able to progress because I believe that in a few years from now all Canadians, no matter what their beliefs are today, will honour the flag chosen by parliament in 1964.

[*Translation*]

Mr. Pigeon: Mr. Speaker, could I direct a question to the hon. member for Nickel Belt (Mr. Godin) who has just sat down?

I know that he will vote for the flag with three maple leaves but I would like to ask him if he will vote also for the union jack?

[*Text*]

Mr. Deputy Speaker: The hon. member for Moose Jaw-Lake Centre.

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, in my opinion today, July 2, is a very appropriate time to resume the debate on the resolution which would take away our Canadian red ensign and all the history and tradition associated with it. I say that July 2 is a very appropriate day for this flag debate because, of course, it follows immediately after Canada's 97th birthday and the celebrations connected with this long period of very proud history.

From the ruddy glow of health on the faces of many members of the house I judge that they had the same experience I had on July 1, the experience of participating as a spectator in the formal celebrations of Dominion day. It was a well rehearsed Dominion day observance and I congratulate those responsible for the planning and rehearsing. In the years I have been here Dominion day has always had great significance for me in connection with my parliamentary duties and obligations.

This Dominion day of 1964 had particular significance. I am sure this was impressed on all of us in each part of the day's program. There was the changing of the guard, the artillery salute of 21 guns in honour of Dominion day, the carillon recital, the presentation of folk songs and dances by groups representing each of the 10 provinces, martial music by the central band of the Royal Canadian Air Force and then the ceremonies by the armed forces with the royal salute to His Excellency the Governor General.

The ceremony by the armed forces was staged on the front lawn of parliament hill before at least 10,000 people, with 66 Canadian red ensigns, to which some members of the house object, fluttering in the breeze. I am sure this was a sight which must have thrilled all of the 10,000, including the Prime Minister himself. Naturally it was not possible for me to obtain the impression of all those present but I did speak to as many as I could after the celebration and the general reaction was: Let us keep the flag we have now.

I mention the Dominion day crowd because the amendment to the resolution before us proposes that we have a plebiscite on the flag issue. If a poll could have been taken of the 10,000 watching the Dominion day ceremony, I am sure the Prime Minister would have been told in no uncertain terms that this most certainly is not the time to try to impose his three maple leaves design on Canadians as a new national flag.

I wish, Mr. Speaker, that we could have held this flag debate out on the lawn in the presence of those 10,000 people as part of the Dominion day observance. If this were possible, I am sure we could have shown clearly to them the logic of the situation as it actually exists in this house, and shown them why we take the stand we do against the three maple leaf design, and why we are calling for a plebiscite to let the Canadian people decide the issue.

I wish all Canadians could be present to hear this debate, then they would not have to read the newspapers or hear over the radio and television the comments of the writers who so often present their personal views as though they were actual fact. I take strong exception, Mr. Speaker, to the biased opinion of one of these commentators who used an entire C.B.C.-T.V. audience to work out some personal spite on opposition members who are presenting the views of their constituents against the three maple leaf design. I will not mention the name of this writer, commentator, editor or whatever he wishes to call himself because I know he dearly loves publicity. However, I will mention that "Bark" is part of his name and that is what he did during most of his comments. The whole theme of his

comments was a defence of the Prime Minister's ultimatum that we must forget our responsibilities in parliament and allow the Canadian red ensign to be removed without further argument.

This "barking" commentator, of course, is a friend of the government. You have here a double-barreled ultimatum to the opposition. On the one hand, the Prime Minister says, pass my flag design now or there will be no summer recess, and on the other hand this commentator friend says, the opposition members who are presenting their constituents' views are, and these are his words, pettifogging politicians, trouble makers and irresponsible members who are holding parliament up to public contempt. I am afraid, Mr. Speaker, that my indignation at the biased and unfair remarks of the television commentator have taken me from my reference to Dominion day.

Each item on the July 1 program had a history and a tradition behind it, as symbolized by the 66 Canadian red ensigns waving so proudly. It is this Dominion day tradition behind the red ensign that we are emphasizing in this debate. This tradition can be expressed in no better words than those appearing in the last issue of the United Church *Observer*. I quote:

> A hoop rolls on only if given a regular tap. Just so the stories of a nation travel down the years if occasionally touched upon. July first is a good time to brush off the dust and bring to light the story of the naming of Canada and also the story of the word "Dominion".

This is the quotation from the United Church *Observer* to which I should like to call the attention of the house. There is also a great tradition behind Dominion day. Last Wednesday in this house the Prime Minister stated, as reported in *Hansard* for June 24, at page 4651:

> This attachment to tradition is an important element in a country that wishes progress.

In this flag debate the hon. member for St. John's West (Mr. Cashin) said, as reported in *Hansard* for June 30, at page 4912, that we must retain those things of our past for which we have so much genuine affection and loyalty. Where is all this history and tradition in the proposed three maple leaf design? The member for Leeds (Mr. Matheson), as reported on page 4884 of *Hansard* for June 30, asked, what is better than this long established sprig of sugar maple to portray us to ourselves and to the world? Then, he commented on what he called, the flag about to be born, about to flutter on our plains and on our mountains. I come from the plains, the plains of Saskatchewan, where there are no sugar maple trees, no tradition regarding such a tree or the maple leaves on it.

In this connection, if I may, I should like to quote briefly from an article written by Patrick Nicholson on February 23, 1960 when he was concerned about this flag question. I quote:

> Many would build the flag around the maple leaf, the adoption of which would make us appear as a colony of the state of Vermont, or perhaps of Rhode Island or Wisconsin, which have already adopted the maple leaf as their symbol.

Apparently some areas in our country have a greater maple leaf tradition than we have on the prairies, and the proposed three maple leaf design might have more appeal there. I was surprised, Mr. Speaker, to hear the hon. member for Northumberland (Miss Jewett) say that we are here in parliament to make decisions regardless of what our constituents want. I do not subscribe to this view. I want to put on the record some of the views of my constituents, views that I personally support, but even if I did not I would feel obliged, as the representative of these people, to express them in parliament. I ask members opposite to do the same. I am sure many of them have received letters supporting the Canadian red ensign. I have three full files of letters from constituents on the flag issue. I have not the time in this debate to read them all, but I want to place representative comments on the record. I shall just take pertinent comments from several of these letters. This one is from Stony Beach in my area:

> Everyone we contacted and that really included the five school districts and outside districts as well were 100 per cent in favour of the red ensign. Even the staunchest Liberal supporters were in favour of the red ensign. We have approximately 90 families in Stony Beach area and contacted them at school field days, 4H achievement days, sales and meetings.

You will see, Mr. Speaker, this was a fairly good canvass of that area. Here is a letter from a farmer now living in Moose Jaw:

> We have a distinctive flag in the red ensign. Let them add a large maple leaf if they wish but let's not toss it aside. Most of the people of Moose Jaw feel this way and we hope you can help us express our wishes.

This letter is from Regina and concludes as follows:

> Therefore I ask that you consider voting against the proposed maple leaf ensign, and exert influence

where possible to have an amendment proposed designating the red ensign as our flag.

This letter is from my own city of Moose Jaw, and reads in part as follows:

I do believe the flag issue has caused a disquieting feeling among a number of people, for they express an opinion that there are more pressing things by way of problems in Canada that parliament should be dealing with, and the flag issue should be set aside for the time being and these more pressing problems dealt with.

There we have an expression of opinion about the problems of this country.

This letter is from Lumsden, Saskatchewan, and reads in part as follows:

Seeing that this country was won for the British Empire under the union jack, and seeing also that Canadians fought under the red ensign (which of course incorporates the union jack) in two world wars, and further as I myself am a veteran of both world wars I could not accept or respect any flag for Canada which did not incorporate the union jack in its design.

Here is a letter from Semans, in my area, and this has a direct bearing on the question of the plebiscite.

As for the people around here, whether they are for the red ensign or not, the vast majority feel that a new flag should not be imposed on us without a national referendum. They feel that if the majority of the Canadian people want a new flag then a new flag it should be, but if the majority want the red ensign then the red ensign should be maintained.

Just a line from Craven:

Our old flag, the red ensign, will always be my flag, and the majority of the people in this area have the same opinion including a lot of the Prime Minister's own supporters.

Another from Watrous:

Most of the people I have spoken with are in favour of the red ensign and those who are lukewarm on the subject at least feel there should be a vote on the matter.

The next one expresses an opinion of many people in Canada. It refers to the situation in Moose Jaw where it says there are six to one in favour of the red ensign, and adds:

The other one is the Liberals who are so disgusted with the manoeuvring of their party in Ottawa that the flag issue is the only red herring they have left, so they favour the new flag.

I have dozens of these letters and I will take no more time to put them on record. But I did go through the list and I have here a summary. There are 30 of the important towns and districts in my area represented in this file, and they all express the same comment as I have given so far.

Now if I could just turn to the city of Moose Jaw. As I said before, they have had a survey there which I think would be along the lines of what would happen in a plebiscite, and here is the last comment on it in the *Times-Herald* of June 15, 1964. The heading is: "Flag Decision Settled in City".

Members of parliament today began the battle of the flags in Ottawa, but *Times-Herald* readers have already decided the controversial issue.

Final results of the *Times-Herald* flag poll show overwhelming approval for the red ensign... this makes a more than 80 per cent majority on the side of the old flag.

They held a street survey, stopping people and asking them what flag they preferred, and the pictures of the people they asked are shown on another page under the heading "Six to One for the Red Ensign".

So far I have dealt mainly with individual letters I have received. Of course, I also received a large number of letters from organizations, principally from branches of the Canadian Legion in my area. Concern in Moose Jaw is so strong that they have had a petition circulated and I understand the Prime Minister received this signed petition recently asking for the retention of the Canadian red ensign. Then I have letters from various lodges of I.O.D.E. and the ladies Orange benevolent association. There are a number of these; they are all on the same theme, the retention of the Canadian red ensign. There is one from the Royal Canadian Legion Semans branch beginning:

We strongly deplore the arbitrary action of your minority government in dictating to the people that they shall have a new flag. This contravenes the democratic rights of every Canadian. We respectfully urge that the government call a national plebliscite and restore to the people their democratic privilege of deciding whether they want the red ensign or a new flag.

That was sent to the Prime Minister. It adds that copies were being sent to the Leader of the Opposition (Mr. Diefenbaker), to myself, and to the leaders of the other parties in this house. This is accompanied by a petition signed, I would think, by a representative of every family in Semans. They all ask for the retention of the red ensign.

The army, navy and air force veterans in Moose Jaw through their secretary-manager also sent in a statement as follows:

We, 756 members of the army, navy and air force veterans in Canada, Moose Jaw unit No. 252, do petition you for the endorsation of the red ensign as the national flag.

The comrades who answered the roll call for the last time would not have it changed to any other flag and we, the living, shall maintain and uphold their sacred pledge.

This flag represents the Christian way of life, the aristocracy of achievement of the four freedoms.

Then I have received a letter from the sons of England benefit society along the same lines. Also, I have one here from the Royal Canadian Legion in Saskatoon. May I say that I understand the newly elected member for Saskatoon arrived in Ottawa tonight and will probably be in the house tomorrow.

Some hon. Members: Hear, hear.

Mr. Pascoe: This letter from Saskatoon says:

> In view of the fact that at present there is no sitting member for the Saskatoon constituency the members of our branch request that you give your consideration to the following resolution:
>
> Resolved that we urge delay in the proposed legislation for the adoption of the new flag and propose retention of the red ensign as Canada's flag until more assurance is obtained that this legislation has the consent of the nation.

That was written before the by-election.

As I say, the newly elected member for Saskatoon will, I imagine, be in the house tomorrow and she will probably take part in this debate. I just wanted to bring this matter to the attention of the house now, and I hope to be able to amplify my remarks later.

Mr. Speaker, may I call it 10.30?

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

INDUSTRY—TIMMINS—PROCESSING OF ORE FROM NEW MINING DEVELOPMENT

Mr. M. W. Martin (Timmins): In the seven minutes at my disposal it will be difficult for me to deal in any detail with the subject I wish to raise; I shall only be able to cover it in what might be called skeleton form.

I am raising this matter tonight because of two things. The first is the recent announcement by Texas Gulf that the intention is, until such time as the product of the big copper strike in Timmins gets really rolling, to export the ore to be processed outside this country. My second reason for raising this matter now is a remark overheard by a Timmins businessman who was attending a meeting in New York when this matter was discussed. An executive of Texas Gulf mentioned they would like to ship the ore to North Carolina but they did not know what the people of Timmins would think about this. And Mr. Jules Timmins who is, I believe, one of the top men in the Hollinger organization, made the statement that they did not have anything to worry about as far as the people of Timmins were concerned because the business people of Timmins were a bunch of jellyfish and you could walk all over them.

There are only two ways in which this ore can be shipped at the present time. One is by getting an export permit from the government of Ontario, and the second would be by getting a special freight rate over the Ontario Northland railway, which is owned by the people of Ontario, to ship this ore over the great distance contemplated. It might be said that this is a purely provincial matter, but it is not entirely so because the people of Canada as a whole have a great interest in this development. In the first place, the Timmins area has been designated as one of the designated areas of Canada that is in need of attention from the federal government. In fact, a conference was held as recently as June 17 last at which the officials of the Department of Industry explained the benefits that can be obtained under this program. I attended that conference, along with some 80 or 90 businessmen of that area.

To bring to the attention of the house the magnitude of this situation, I would like to point out that in 1926 when Noranda decided to build a smelter they had ore reserves of one million tons. Some 37 years later, in 1963, after being in production for that period of time, they had reserves of some 11 million tons. In Murdochville, Quebec, when they started in 1952 they had ore reserves of some 67 million tons in the three properties there. Today, 11 years after, they have ore reserves of some 55 million tons. With regard to the strike in Timmins, when the diamond drills reached 800 feet they estimated there were some 25 million tons of ore, at 1,400 feet the estimate was 55 million tons. I am now told that the drills are down to the 2,700 foot level and they have hit ore that is the richest deposit yet, and it is broadening out. I was told by a man who works in the field and has prospected for many years that a sensible estimate of this ore is some 300 million tons.

In the June 27 issue of the *Financial Post* the picture is traced as follows: 55 million tons averaging 4.85 ounces of silver, 1.33 per cent copper and 7.08 per cent zinc. This tonnage is contained in a body 1,800 feet long and 200 to 500 feet wide. One of the 26 holes drilled has probed to 1,400 feet and is still in

ore; and they are now at 2,700 feet and it gets richer as it goes along.

My point is that the jobs which the federal government should be interested in are involved in the smelting and processing of this ore rather than the actual mining of it. If we lose the smelter, all we will have is a great big hole in the ground and the jobs this great find should be providing will be provided in another country rather than our own. The second point is this. If the smelter is not built there will be no opportunity to establish secondary industry such as copper wire production, electronic fixtures and things of this nature. A whole industrial complex could be built around this project. Another thing which the federal government should interest itself in is that of exchange between the United States and Canada. This is a very important aspect of this operation. A smelter must be built for this operation, regardless of where it is built. The smelters of Sudbury and Rouyn-Noranda can possibly handle the copper production, but they cannot handle the zinc. A plant will have to be built for this purpose, and it should be built in this area. Timmins has everything that is required. There is the mighty Mattagami river; there is everything that is needed for industrial purposes. There is power at Abitibi canyon, the Little Long rapids, and everything that is needed for this industry. There is natural gas running through to southern Ontario and thousands and thousands of acres of land that could be bought at a very reasonable price, rather than going into southern Ontario or some other place where you might have to plow up fruit orchards and things of that sort.

Another important point, Mr. Speaker, is that the smelter should be a custom smelter. If Texas Gulf builds a smelter it could only be for their purpose and other operators will have to ship 100 miles or more, which will mean a difference of $5 or $6 a ton in trying to exploit their production. I would suggest that the government—I see that my time is running out, Mr. Speaker—look into this matter and should if necessary offer to build a smelter on their own. I think it would be a wonderful investment in Ontario for this government and would greatly assist the employment situation in the area.

Last, but far from least, action should be taken, and taken now, because once this ore starts to be shipped out the plans will have been made beforehand and it will be too late to turn the clock back.

Business of the House

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I am not exactly sure of the question the hon. member was addressing to the government, but I would observe this, that while the government is eager, especially in the designated area of Timmins, to see the maximum of industrial growth, and at the greatest possible rate, the action the hon. member has recommended or is suggesting seems to lie principally in the hands of the government of Ontario, and it would be inappropriate for me to comment on action or inaction on the part of another government.

The hon. member has drawn to my attention that one of the advantages of Timmins is the availability of large quantities of natural gas in the area. This represents initiative taken by the previous Liberal administration and I hope that we will be successful in the present instance in providing further advantage to Timmins.

BUSINESS OF THE HOUSE

Mr. Churchill: I should like to ask the acting house leader if he has any announcement for us tonight.

Mr. MacNaught: Tomorrow, Mr. Speaker, during routine proceedings the Secretary of State for External Affairs will move that the estimates of the Department of External Affairs be withdrawn from the committee of supply and referred to the standing committee on external affairs. The main item of business tomorrow will be the debate on the flag resolution.

On Monday we will resume the committee stage of Bill C-90, to amend the National Defence Act. When the committee stage and third reading stage are concluded we will consider the second reading stage of the bill relating to youth allowances.

Mr. Churchill: I wonder whether the acting house leader has considered that in other years it has been customary for two days of discussion of external affairs before the estimates are referred to committee. This year we have had only one day for that very important subject.

Mr. MacNaught: The sending of the estimates to the standing committee on external affairs is to enable us to get on with the study of the estimates as soon as we can.

Motion agreed and the house adjourned at 10.40 p.m.

HOUSE OF COMMONS

Friday, July 3, 1964

The house met at 10.30 a.m.

NEW MEMBER INTRODUCED

Mrs. Eloise Jones, member for the electoral district of Saskatoon, introduced by Right Hon. J. G. Diefenbaker and Hon. Alvin Hamilton.

MARINE AND FISHERIES

Third report of standing committee on marine and fisheries—Mr. Granger.

EXTERNAL AFFAIRS

REFERENCE OF ESTIMATES OF DEPARTMENT TO STANDING COMMITTEE

Hon. Paul Martin (Secretary of State for External Affairs) moved:

That the items listed in the main estimates and the supplementary estimates (A) for 1964-65 relating to the Department of External Affairs, presented to this house at the present session, be withdrawn from the committee of supply and be referred to the standing committee on external affairs, saving always the powers of the committee of supply in relation to the voting of public moneys.

Motion agreed to.

AGRICULTURE

STEPS TO IMPROVE POSITION OF EASTERN FARMERS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in the absence of the Minister of Agriculture possibly I could direct this question to the Prime Minister. In view of the serious and worsening emergency in eastern agriculture, could the Prime Minister say what action, both emergency and permanent, the government intends to take? Under the circumstances will the government give consideration to having immediate action taken in this regard by the house?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be very glad to give consideration to my right hon. friend's suggestion and discuss it with the Minister of Agriculture, who will be in a position to make a statement early next week.

SASKATCHEWAN—REPORTED CRITICAL SITUATION RESPECTING LIVESTOCK

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Prime Minister in the absence of the Minister of Agriculture. Reports coming from northern Saskatchewan, and in particular from the Melfort-Tisdale area, indicate that the crop situation there is deteriorating badly and that farmers are being forced to sell their livestock, as a result of which prices will be forced down. I should like to ask whether the Prime Minister could implement legislation similar to that of 1961 under which feed grain was stored in the province so that livestock coming to livestock yards was held back in order not to flood the market and depress the price.

Mr. Speaker: Would the hon. member put this on the order paper.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, if I might, this is a very serious matter of immediate importance. As pointed out by the hon. gentleman, because of drought conditions farmers are being forced to sell their cattle and liquidate their herds. In consequence cattle prices have fallen very greatly. This is a matter of immediate importance, not to be dealt with next week or next month. Would the Prime Minister give consideration to the suggestion made by the hon. gentleman; because I am told that all over northern Saskatchewan liquidation of herds is taking place and farmers are finding themselves being forced to accept large reductions in price which would otherwise not be the case.

Right Hon. L. B. Pearson (Prime Minister): If I may be permitted to answer this question, Mr. Speaker, I expect to see the Minister of Agriculture tomorrow and I will be very glad to discuss this matter with him. I know the government will want to do everything that the situation requires.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, may I ask a supplementary question?

In view of the fact that the situation is the same for the Quebec farmers with regard to

agricultural products, could the Prime Minister give the same consideration to this problem in Quebec as in Saskatchewan?

[*Text*]

Mr. Pearson: Of course, Mr. Speaker.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to ask a related question of either the parliamentary secretary to the Minister of Agriculture or the acting minister. In view of the question I asked a week ago, has there been any contact by the new minister of agriculture in Saskatchewan with the Minister of Agriculture in Ottawa about this critical livestock situation?

Mr. B. S. Beer (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I will have to take this question as notice and bring it to the attention of the minister. I am not aware of the answer.

LABOUR RELATIONS

NON-OPERATING RAILWAY EMPLOYEES—DISCUSSIONS WITH RAILWAY PRESIDENTS

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I wish to direct a question to the Prime Minister. Can he inform the house as to the conclusions of his discussions with the presidents of both railways?

[*Text*]

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, some of my colleagues and I had a useful discussion yesterday with the presidents of Canadian National Railways and the Canadian Pacific Railway. I am confident that as a result it will be possible without delay for negotiations between the railway companies and the unions to be resumed, and I hope the resumption will result in a satisfactory arrangement.

[*Later:*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the right hon. Prime Minister in view of his expected prolonged absence, and in view of the absence of the Minister of Transport and the Minister of Labour. Has the government taken any direct steps or has it been in direct contact with the 15 labour unions that are involved in this threatened railway strike, about which he has had meetings with the presidents of the two railways?

Mr. Pearson: Yes, Mr. Speaker, there has been contact.

[Mr. Grégoire.]

POWER

COLUMBIA RIVER—FULFILMENT OF U.S. FINANCIAL OBLIGATIONS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. I always enjoy doing this. Is the minister confident that the United States will fulfil its financial obligations in connection with the Columbia river treaty to permit ratification of the treaty, as arranged, on October 1?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, just as Canada expects other nations to believe Canada would fulfil its treaty obligations, so too Canada, of course, fully expects that the United States will live up to its commitments.

Mr. Herridge: A supplementary question, Mr. Speaker. Has the minister been informed of a statement by Mr. Udall, secretary of the interior, that there are difficulties in connection with raising the money, and that delay may occur owing to the necessity of placing a bill before congress to provide funds to build a connection with California before the money can be raised?

Mr. Martin (Essex East): I may be wrong, but I think Mr. Udall made reference to raising some $650 million for the purpose of providing a vehicle for the transfer of power. However, if Secretary Udall was referring to the money due Canada on October 1 pursuant to the arrangement made, I can only say that the raising of the money in the United States is expected to be successful. I have no reason for believing that the money which the United States is to pay on October 1 will not be paid.

Mr. Herridge: May I ask one more supplementary question. In view of the statements appearing in United States newspapers, statements appearing in the Canadian press and various reports, would the minister go into this question very carefully and give the house a full report of the situation up to date?

Mr. Martin (Essex East): Well, there is no further report to be given. I think my hon. friend should have greater faith in the newspapers.

[*Later:*]

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, my question is to the Minister of Northern Affairs and National Resources on a subject that is somewhat related to earlier

questions. In view of the United States government's obvious intention to work toward a high voltage transmission line from the southern part of California to the Canadian border, ostensibly to take the downstream benefits of the Columbia in the first instance, then the Peace and finally the Yukon, what is the minister doing about pushing the study on a national transmission grid for Canada to make the power sources of the Peace and the Yukon, the largest undeveloped hydro power in North America, available to the power-short industries of Ontario?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, we have already had a report on phase 1 of these studies. We are now proceeding to set up within Canada stage two studies which will be extensive, and we expect to be making an announcement with respect to the selection of an engineering firm to direct the work. It is our intention also to use as far as we possibly can the co-operation of the electrical industry in Canada in the studies with the engineering firm selected.

EXTERNAL AFFAIRS

REPORTED APPOINTMENT OF HON. ROLAND MICHENER AS HIGH COMMISSIONER

On the orders of the day:

Mr. Reid Scott (Danforth): I should like to direct a question to the Prime Minister. Can the Prime Minister confirm the rumour that Hon. Roland Michener has been offered and has accepted the post of high commissioner to one of the commonwealth countries? If so, can he tell us which country is involved?

Right Hon. L. B. Pearson (Prime Minister): No, I cannot confirm that rumour.

NATO—CANADIAN POSITION RESPECTING MULTILATERAL FORCE

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. As a result of his conversations with the secretary general of NATO, can he advise the house whether the government has come to any decision with respect to either approval or disapproval of the multilateral force and, if so, whether Canada has any intention to participate in this force that is under organization within NATO?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the government's position with regard to participation in the multilateral force has not changed.

Mr. Lambert: A supplementary question, Mr. Speaker. May we have a clear indication of what the government's position is in this regard?

Mr. Martin (Essex East): This position was outlined some days ago, I think, in the house. I reaffirmed the statement made by the Prime Minister some time ago that it was not Canada's present intention to participate.

CYPRUS—REPORTED SECRET LANDING OF GREEK TROOPS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I have just noted a change on the part of the Secretary of State for External Affairs, in that he now puts a great deal of trust in newspapers. I now ask him, has he looked into the reports in the press and on the radio regarding the alleged intrusion of a large number of Greek soldiers into Cyprus, and has he been able to secure the information that the press carried earlier?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman yesterday gave a figure of some 4,000. I could find no justification whatever for that figure. The information I already have obviously implies that there have been importations of arms and of bodies, and we have taken strong exception to this.

Mr. Diefenbaker: Possibly the minister, with his usual capacity for elucidation, might tell us how many bodies. Has the approximate number been ascertained?

An hon. Member: Were they live bodies?

Mr. Martin (Essex East): If I had the capacity for humour, which I do not, I would say that having determined the number of arms, one could determine the number of bodies.

Mr. Diefenbaker: This is now becoming a mathematical problem. How many arms does the minister say were imported into Cyprus in this way?

Mr. Martin (Essex East): As this is a serious matter, I would say there have been importations of arms contrary to the security council resolution. It is also contrary to obligations under the North Atlantic Treaty Organization. The most serious view is being taken of this.

Mr. Diefenbaker: That serious view being taken, is the minister not going to let the house know approximately how many men actually came in under the circumstances?

Mr. Martin (Essex East): Mr. Speaker, there can be no way of determining the exact number.

Mr. Heath Macquarrie (Queens): Mr. Speaker, my question is supplementary to the one asked by the Leader of the Opposition of the Secretary of State for External Affairs. Can the minister advise whether the United Nations forces were restrained by Cypriot police from observing the actual debarkation of what he calls the armed imports?

Mr. Martin (Essex East): Mr. Speaker, I did not hear the full question.

Mr. Macquarrie: Mr. Speaker, my question is related to reports from usually reliable newspapermen that the United Nations forces were actually restrained from observing at close range the debarkation of what have been described as armed imports.

Mr. Martin (Essex East): Mr. Speaker, there have been suggestions from sources other than the public media that this was the case. However, the matter is now being reviewed by the United Nations authorities, and I expect that before too long, I will be in a position to say whether or not this has been confirmed.

[*Later:*]

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs?

As a representative from Quebec, a province that supplied most of the troops now at the service of United Nations on Cyprus, I should like to ask the minister if he would be good enough to indicate whether the number of Greek troops landed on Cyprus are counted by tens, hundreds or thousands?

I think that matter is causing concern in some quarters in the province of Quebec and also all across Canada.

Mr. Martin (Essex East): Mr. Speaker, I share the concern of the hon. member, but I could not give any figures, since I do not know exactly what they are; but I can give him the assurance that we are keeping a very close watch on the situation.

Mr. Balcer: I think I gave a great deal of latitude to the minister when I asked him to indicate whether the troops could be counted by tens, hundreds or thousands. Surely, the Department of External Affairs must know whether there are tens or hundreds of soldiers.

Mr. Martin (Essex East): That is not known. That is an answer I cannot give. However, I can say that it is not the figure mentioned yesterday by the Leader of the Opposition.

[*Text*]

PARLIAMENT HILL

CONDUCT OF MOUNTED POLICE DURING JULY 1 CELEBRATION

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice. As mentioned on the C.B.C.'s French network, does the Minister of Justice intend to investigate the matter and to discipline, if necessary the R.C.M.P. officer who, on July 1, on parliament hill, told a photographer: "Don't you speak French to me"?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, the hon. member for Joliette-L'Assomption-Montcalm gave me notice of his question and I read an article in the newspaper *Le Droit* of July 2 to that effect.

I will, of course, order an investigation, but I should like to point out that the article in question also added:

> —the officers maintaining law and order did their best during the whole ceremony to answer in French questions asked by the large number of bilingual people who, following the official invitation, had come to celebrate Canada's national holiday.

In any case, I will order an investigation into this particular incident.

Mr. Gilles Grégoire (Lapointe): I would have a supplementary question, Mr. Speaker. Could the Minister of Justice tell us who informed him that the members of the Royal Canadian Mounted Police had answered in French inquiries made by French Canadian tourists who visited parliament hill on July 1?

Mr. Favreau: I got this information from the newspaper *Le Droit* of Thursday, July 2, 1964.

Mr. Grégoire: Mr. Speaker, I wish to ask another supplementary question. Then, can the minister make a full inquiry in order to know how many members of the R.C.M.P. on parliament grounds are bilingual? He will see that there are not many.

[*Text*]

USE OF WORD "DOMINION" IN DESCRIPTION OF HOLIDAY CELEBRATION

On the orders of the day:

[*Translation*]

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, in reply to a question put to me yesterday by the hon. member for Chicoutimi (Mr. Côté), I merely wish to refer him to section 2 of the Dominion Day Act, which may be found in chapter 88 of the 1952 Revised Statutes of Canada and reads as follows:

[*Text*]

2. Throughout Canada, in each and every year, the 1st day of July, not being a Sunday, shall be a legal holiday, and shall be kept and observed as such, under the name of *Dominion Day*. R.S., c. 49, s. 2.

[*Translation*]

I must add that the hon. member for St. Maurice-Laflèche (Mr. Chrétien) has already put on the order paper a bill to amend the present situation.

[*Text*]

DOMINION-PROVINCIAL RELATIONS

PROVINCIAL PARTICIPATION IN CURRENT ECONOMIC STUDY

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, may I direct a question to the Prime Minister. Could he tell the house whether he has received an official or unofficial communication from the premier of Quebec concerning provincial participation in the inquiry into economic relations within confederation and, if so, is it the government's intention to accede to this request and call in participation of the other provinces as well?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have received no such communication, official or unofficial.

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to direct a supplementary question. Does the right hon. Prime Minister still persist in refusing to ask the provinces to participate in this investigation?

[*Text*]

Mr. Pearson: Mr. Speaker, as I tried to point out yesterday, the inquiries are being made by officials of the federal government for that government, and when those inquiries are completed then the federal government will be in a position to decide how best to proceed further in this matter, and may decide to bring in the provinces for consultation.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): As a supplementary question, would the Prime Minister say what are the instructions given to these civil servants? What is the ambit of their authority? Would he place on record the instructions given as to the course they are to follow and the subjects they are to consider; because there has been a great deal of uncertainty since the Prime Minister made his statement a week ago today?

Mr. Pearson: Mr. Speaker, I shall be very glad to give some thought to that and see if a further statement can be made.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): I have a supplementary question, Mr. Speaker. Could the right hon. Prime Minister ask the members of his inquiry commission on the civil service to submit their report to the members of the Laurendeau-Dunton commission so as to complete the work of this commission?

[*Text*]

TRADE

REQUEST FOR REPORT ON TRIP TO U.K. BY FINANCE MINISTER

On the orders of the day:

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, may I direct a question to the Minister of Finance, whom I am sure we all welcome back to the house on his return from the United Kingdom. My question deals precisely with his trip to the United Kingdom where he had talks concerning trade problems. I wonder whether the minister would give the house a report on those talks, and particularly will he explain the technical difficulties which he said beset trade between the two countries, to which he referred in one of his talks, and which has been described as "cold comfort" by some of the British authorities?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I thank my hon. friend for his kindly words, although I do not know about the references to cold comfort. The British government through its officials did complain some time ago about the application of our anti-dumping procedures and, I think it was last February, the Minister of Trade and Commerce undertook that we would make a study of their complaints. This we have done.

Inquiries of the Ministry

When I was in London I reported to various ministers of Her Majesty's government there and also to a number of industrialists, and during a course of a speech I made a statement. I said that we have concluded that these obstacles, or alleged obstacles, did not in themselves, in our view, constitute a major difficulty but that there were some justifiable grounds for complaints and we intended to do something about these.

I pointed that this would require legislation. I also pointed out that we were very anxious that in the process of correcting the difficulties in question we did not do something which would create new ones, and that this would take some time to work out. I said also that Canada had complaints about certain non-tariff barriers to trade as applied to us by certain other countries, and that we hoped this whole matter could be dealt with in the context of the negotiations leading to the Kennedy round.

Mr. Martineau: Will the minister tell us what remedial legislation he plans?

Mr. Gordon: I will be glad to do so when the remedial legislation is ready for the house.

Mr. Heward Grafftey (Brome-Missisquoi): Did the minister have talks with anyone in the United Kingdom relating to the possible adoption of the union jack as Canada's flag in the commonwealth?

Mr. Gordon: No. I thought that was a matter for discussion in this house.

FORMOSA—REQUEST FOR REPORT ON DISCUSSIONS WITH TRADE MISSION

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I have a question for the Minister of Trade and Commerce. I should like to ask him whether he would care to report to the house respecting the discussions had yesterday with the trade mission from Formosa, and whether we can expect to come out of these discussions with some firm orders for wheat, flour and perhaps some other commodities.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I had some useful discussions with the governor of the Bank of China, who came to my office along with the ambassador for China. We discussed in a general way the promotion of trade between Canada and China. Whether out of this will emerge firm orders I am not yet in a position to say, but I am hopeful.

[Mr. Gordon.]

Hon. Léon Balcer (Three Rivers): A supplementary question. I should like to ask the minister whether he has received a request on the part of nationalist China to become an exhibitor at Expo '67, and whether he has accepted this request.

Mr. Sharp: Mr. Speaker, when these Chinese gentlemen were with me yesterday they were very interested in exhibiting at Expo '67; but it it my understanding that they have not yet applied.

SOCIAL INSURANCE

APPLICATION OF SYSTEM TO PROPOSED PENSION PLAN

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I wish to address a question to the Minister of Labour or, in his absence, to his parliamentary secretary or to the acting minister. In the light of the decision by the government of the province of Quebec to use the present social insurance numbers, subject however to a criticism that the present system presents problems when applied to the present or proposed pension plan, has the government any intention to modify the registration plan or to ask all the provinces to join in a discussion so as to establish a system which would be acceptable to all of them, since they are going to participate in the pension plan?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): There is no present intention to make any modification to the system. It appears to be satisfactory to all provinces at the moment.

SHIPPING

REQUEST FOR REPORT ON STUDY OF GREAT LAKES WATER LEVELS

On the orders of the day:

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources.

Does the minister intend to report to the house about the study made earlier in the week, in Toronto and in Montreal, as regards the water level in the great lakes and in Montreal's harbour?

[*Text*]

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I am certain that the discussions which took place would

not lend themselves to the making of a statement with respect to decisions. Out of these discussions will come, I hope, a reference to the international joint commission and, in addition, it is our hope within the next week or ten days to refer the matter of the levels of the lakes to the standing committee on mines, forests and waters with the intent that the facts, many of which will be of value to the I.J.C. later, may be made known to the public. We shall attempt to build up a quantity of evidence in respect to this problem which I think will be most beneficial to all concerned.

[*Translation*]

Mr. Laprise: As a supplementary question, Mr. Speaker, I should like to ask the Minister of Northern Affairs and National Resources whether he intends to go himself or send representatives to a similar conference that will be held on July 28 in Michigan?

[*Text*]

Mr. Laing: Mr. Speaker, I have not received any invitation, nor have I heard of such a conference being held.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. I should like to ask the minister whether he could explain why the chairman of the Canadian section of the international joint commission did not attend any of these important conferences.

Mr. Laing: I have no explanation, Mr. Speaker, unless he was otherwise occupied.

HOUSING

SUGGESTED CHANGE IN LOAN POLICY TO AID FALL CONSTRUCTION

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Québec-Montmorency): Mr. Speaker, I should like to direct a question to the Postmaster General.

Can the minister tell the house whether he intends to ask Central Mortgage and Housing Corporation to change its policy regarding loans to builders in order to promote the "house fall parade" prepared by the national builders association across the country?

[*Text*]

Hon. J. R. Nicholson (Postmaster General): This matter is under consideration, Mr. Speaker.

Inquiries of the Ministry

LABOUR CONDITIONS

BRANTFORD, ONT.—DESIGNATION AS DEPRESSED AREA

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I should like to direct a question to the Minister of Industry. In a list of 66 Ontario cities just published with regard to average income, the city of Brantford is well up the list in 32nd place, whereas the neighbouring city of Guelph is down to 36th place and Galt is in 41st place. Would the minister now consider removing Brantford from the list of depressed areas?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, some time ago it was announced that a review would be carried out this summer of the appropriateness of all the designated areas. This review has not yet been undertaken.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I raise this matter at this time because of the fact that the Prime Minister will be absent for some time. I would ask him whether complaints have been received from various organizations in Vancouver regarding the attempts being made by the C.B.C. to secure possession of 11 or 12 acres of the Kitsilano Indian reserve, formerly controlled by the R.C.A.F. This is a matter that I bring to his attention because Mr. Ouimet has stated that regardless of the feelings of the people there he intends to take over this property for the C.B.C. I ask the Prime Minister, will he have this matter looked into, to the end that one department of government will not be providing park land in Vancouver to the C.B.C. when other properties are available in the commercial area?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this matter is already under consideration. I participated in discussions with the mayor of Vancouver on this matter. I am confident that an amicable solution will be reached, and I will be glad to see that a statement is made on the matter next week.

Mr. Diefenbaker: Can I take it from that, Mr. Speaker, that the government is not

going to allow one department of government to transfer to another a property so necessary for park land purposes in Vancouver?

Mr. Pearson: Mr. Speaker, I said I thought a solution would be reached that would be agreeable to all concerned. I can assure my right hon. friend that no one department of government would be permitted to do what he suggests, nor does it desire to do it.

PENSIONS

CANADA PLAN—REQUEST THAT CONSIDERATION BE CONTINUED TO CONCLUSION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the very firm statement that he made on Tuesday evening, as reported in *Hansard* at page 4907, that the debate on the flag resolutions will be continued until a decision is reached, could he not do better than he did yesterday in reply to a question of mine with respect to the Canada pension plan? Could he not give the house an equally firm assurance that debate on the Canada pension plan at its various stages will be continued at this session until a conclusion is reached?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I can confirm what I have already said, namely that the matter will be introduced and it will be proceeded with. I certainly hope and expect that a decision will be made before the end of this session.

Mr. Knowles: A supplementary question, Mr. Speaker. Why does the Prime Minister use one form of words with regard to the flag, making it very definite—

Some hon. Members: Order.

Mr. Knowles: —yet leave it conditional with regard to the Canada pension plan?

Mr. Pearson: Mr. Speaker, the reason I make the distinction is that the pension legislation will be a very long and complicated piece of legislation which will go to a committee, and I would hope that the committee would deal with it expeditiously and send it back to the house so the house can decide on it. Surely my hon. friend will realize that there is some difference between a resolution—a short and simple resolution, however important—and a long piece of legislation which is to go to a committee and on which the committee will hold hearings.

[Mr. Diefenbaker.]

Mr. Knowles: Mr. Speaker, I think we had better discuss the timetabling of the Canada pension plan in the next overtime period.

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a supplementary question. I am wondering whether the Prime Minister could not be somewhat more flexible than that in this regard, and before he leaves for the prime ministers' conference—give us some indication that the Canada pension plan could be proceeded with at the conclusion of the present legislative program; that is, in the course of the next week or possibly the next two weeks, at the conclusion of interim supply, shall we say. Could we not deal with it at that time and possibly get it into the hands of the committee?

Mr. Pearson: The order of business has already been indicated to the house. I am sure my hon. friend would not wish me to continue chopping and changing that order of business.

Some hon. Members: Oh, oh.

Mr. Winkler: It is not a question of chopping and changing. We are prepared to proceed with this matter, and if the Prime Minister has the legislation ready we are willing to discuss it.

An hon. Member: It isn't ready.

Mr. Pearson: Surely, Mr. Speaker, my hon. friend must know that the legislation could not be introduced until the constitutional amendment has passed the parliament of Westminster; and that has not happened.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Now will the Prime Minister say whether the legislation in its appropriate form for presentation to parliament is ready, and awaits nothing more than the imperial parliament passing the constitutional amendment?

Mr. Pearson: I can assure my right hon. friend that he will not have to wait five years for the legislation.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Speaker, I seem to recall that ever since 1919 we have been waiting for promises to be carried out by the right hon. gentleman's party. However, let me ask him this. This pension legislation is important. Is this legislation ready or is it in some state of suspended animation, as are most of the legislative proposals?

Mr. Pearson: Mr. Speaker, I can assure my right hon. friend that when the time comes to discuss the legislation it will be ready.

Mr. Diefenbaker: Which year?

NATIONAL DEFENCE

PROVISION OF NUCLEAR MISSILES FOR EUROPEAN BRIGADE

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of National Defence whether nuclear missiles have been provided for the Honest John battery with the Canadian brigade in Europe.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I do not think they are operational yet but I expect they will be shortly.

Mr. Churchill: A related question to the minister. Are negotiations proceeding with NATO authorities in relation to Canada's proposal to withdraw from a nuclear role?

Mr. Hellyer: Mr. Speaker, I think the policy has been clearly set out in the white paper, which forecasts a reduction in Canada's nuclear commitment in the period ahead.

Mr. Churchill: Would the minister mind answering my question? Are negotiations proceeding with NATO authorities in relation to Canada's proposal to withdraw from a nuclear role? It is a simple question; let us have a straightforward answer.

Mr. Hellyer: There are constant negotiations proceeding involving many subjects, and I am sure my hon. friend is aware of them from his vast experience in government.

Mr. Churchill: A supplementary question. Could I get a direct answer from the minister? Are negotiations proceeding with NATO for Canada to withdraw from a nuclear role in accordance with the promise made by the Prime Minister over a year ago?

Mr. Hellyer: Mr. Speaker, there have been many discussions covering all of these subjects. This is just one of the subjects which were discussed with the secretary general. Discussions and negotiations are going on all the time, and I am sure my hon. friend will be pleased to know of any new developments when they are announced in the normal course.

HOUSE OF COMMONS

PROVISION OF SIMULTANEOUS INTERPRETATION IN GALLERIES

On the orders of the day:

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of Public Works. Could the minister inform the house whether it is anticipated that the public galleries will be equipped with a simultaneous interpretation service soon, so that our distinguished visitors will be able to listen to speeches in the language of their choice in our bilingual parliament?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I must tell the hon. member that this matter does not come under my jurisdiction. However, I shall endeavour to obtain the necessary information and I shall pass it on to him as soon as possible.

[*Text*]

TRANSPORT

RICHELIEU WATERWAY—STUDY BY INTERNATIONAL JOINT COMMISSION

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister. Since the boundary waters commission has completed its survey concerning the deepening of the Richelieu river, does the government intend to carry out shortly that important economic project?

[*Text*]

Mr. Speaker: Surely this is a question for the order paper.

BUSINESS OF THE HOUSE

REQUEST FOR HOUSE DISCUSSION OF EXTERNAL AFFAIRS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Secretary of State for External Affairs whether he would arrange to have a day set aside in the house soon for a discussion of matters affecting his department, particularly after he gets adequate information with regard to the situation in Cyprus concerning which he seems to be somewhat ill informed.

Hon. Paul Martin (Secretary of State for External Affairs): Of course I do not wish to comment on the hon. gentleman's appreciation of my own shortcomings. The external affairs committee is to be set up next week and there will be the fullest opportunity for asking questions and giving information in a way which is not available under the procedure followed on orders of the day.

With regard to the other question of debate in the house, I will be glad to refer that matter to the leader of the house.

COMMONWEALTH CONFERENCE

CONSIDERATION OF PROPOSED STAND-BY FORCE

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): I have a question for the Prime Minister. In view of reports that at next week's prime ministers' conference a suggestion will be put forward to set up a commonwealth stand-by force, I wonder what the reaction of the right hon. gentleman will be to such a proposal, having regard to the plan to which he has already subscribed, namely the establishment of a United Nations stand-by force.

Right Hon. L. B. Pearson (Prime Minister): Any discussion of this matter at the commonwealth conference will, I think, be in the light of our obligation to the United Nations in regard to peace keeping. I know of no request that it should be discussed in any other context.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I do not know whether the Prime Minister intends to be here on Monday or not. Do I understand that he will not be here on Monday?

Mr. Pearson: No.

Mr. Diefenbaker: Well, I might be allowed to say a word if the house will permit me. The Prime Minister will be leaving at the beginning of the week to attend the commonwealth prime ministers' conference in London. It is a great experience, and one which—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I am interested to see that this subject is meeting with frivolity on the part of hon. members opposite. I thought it was a serious matter, but that group thinks otherwise.

I rise to express—and I wait now for the jeers which will come—the best wishes of myself and the house in general to the Prime Minister as he leaves our country.

[Mr. Churchill.]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we are happy to join in this expression of our very best wishes to the Prime Minister on this occasion.

Mr. A. B. Patterson (Fraser Valley): It is a source of satisfaction to know that the Prime Minister is to attend this very important conference. I am sure we all recognize the importance of this particular association. Therefore we join in the expressions of good will as he goes.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, we are happy to join with other groups to wish a pleasant trip to the Prime Minister as well as a profitable discussion with other commonwealth countries.

We shall try to take advantage of his absence to give him a surprise on his return, so that when he comes back he will see on the peace tower in Ottawa the new flag with three maple leaves, the symbol of the Canadian fact. We hope that the Prime Minister will support this Canadian nationalism and this Canadian fact where he is going, that is among representatives of other commonwealth countries.

[*Text*]

Mr. Pearson: I am most grateful to the right hon. gentleman for his good wishes and to the representatives of the other parties who have associated themselves with those good wishes. The last commonwealth conference was attended by the right hon. gentleman who was then prime minister and is now Leader of the Opposition, and he is aware of the importance and the interest which attaches to these meetings.

While there are no subjects of specific and immediate import on the agenda, I think the matters to be discussed in London next week will be of far ranging significance. They will deal in particular with ways and means of bringing the commonwealth nations closer together, and especially we shall be considering developments in Africa. I hope that as a result of our discussions and as a result of the atmosphere in which these discussions are traditionally conducted this meeting will make its contribution, as others have done in the past, to the bringing closer together of this great multiracial association spanning all the continents, which has played and is destined to play a very important part in the world in the search for peace and security.

CANADIAN FLAG

OFFICIAL ESTABLISHMENT OF NEW DESIGN

The house resumed, from Thursday, July 2, consideration of the motion by Mr. Pearson:

That the government be authorized to take such steps as may be necessary to establish officially as the flag of Canada a flag embodying the emblem proclaimed by His Majesty George V on November 21, 1921—three maple leaves joined on one stem —in the colors red and white then designated for Canada, the red leaves occupying a field of white between vertical sections of blue on the edges of the flag.

And the proposed amendment thereto of Mr. Diefenbaker.

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Before I continue the remarks which were interrupted by the adjournment last night I want to welcome to this house the hon. member for Saskatoon (Mrs. Jones) who has just taken her seat.

Some hon. Members: Hear, hear.

Mr. Pascoe: We greet her as one of our colleagues, and we know she will be a fine representative of Saskatoon in parliament.

Before the house adjourned last night I had placed on record some—I emphasized the word "some"—of the views of the residents of the constituency of Moose Jaw-Lake Centre on this flag question. Of the hundreds of letters I have received on this subject over 90 per cent are in favour of the retention of the Canadian red ensign. Those constituents who did not definitely state an individual preference called for a vote on the question, thus supporting the request before us for a plebiscite. Not one of the letters or cards sent to me supported the proposed three maple leaves design.

As I stated in my earlier observations, I was amazed at the statement of the hon. member for Northumberland (Miss Jewett) that we were here in parliament to make decisions regardless of what our constituents want. I am even more amazed now, after reading her statement in cold print. She has headlines in the morning press. "Don't pay attention to what your constituents want," she says.

This is not my concept of the duties of a member of parliament. I consider that we were elected to parliament to represent our constituents, and I am doing just that when I support the request for a plebiscite. I placed the views of my constituents on record, and I intend to be guided by them as I think a member of parliament should. These views from home emphasize the need for a plebiscite on the flag question.

Now I wish to refer to a few comments from people who are not residents of my constituency. These views from outside strengthen my request for a plebiscite. I have a page here from the Ottawa *Journal* of May 27, a whole page of letters to the editor.

I will not read them all, but I should like to refer to a few of them because they certainly support the views I am expressing on behalf of my constituents. I will refer to the headings and then read some excerpts. The first one certainly supports a plebiscite. It is headed "Committee" and reads in part as follows:

... I suggest a committee of expert heraldry and flag designers be formed to choose in their opinion the three or four best designs and the people of Canada given the right to vote for the flag of their choice. This would be the true democratic way.

Here is one headed "No Change". Another one is headed "Limp Symbol". That is the way this writer feels about the three maple leaves design. Here is an interesting one headed "Pied Piper", reading in part as follows:

Mr. Pearson is like the pied piper of old, piping the tune with the new flag as its theme, to lure the people away from thinking about his government's serious mistakes and inadequacies during the year he has been in office.

Here is another one headed "Spineless". I think that is a very good heading. It reads in part as follows:

There is perhaps no more spineless and craven personality in all Canada than the English speaking Canadian of British origin who is ashamed of his background.

Then there is another one headed "Surrender", reading in part as follows:

The national flag we are having forced on us is a red maple leaf on a white background. White is the colour of surrender.

Another is headed "Won't Change". Here is another supporting our request for a plebiscite. It reads in part as follows:

A government that takes upon itself to choose a flag.

Mr. Macdonald: I wonder whether the hon. member would permit a question.

Mr. Pascoe: Not until I am through. I have only a few minutes left, and I do not want to waste my time now.

A government that takes upon itself to choose a flag without consulting the people that elected it will smear its reputation for generations to come.

Here is another headed "Political Expediency", reading in part as follows:

Canadian Flag

Are we to stand idly by and make no attempt to reason with these men? Can they not be made to understand that a nation's flag transcends even political expediency?

These are a few of the letters to the editor of the *Journal*. They are not from my constituents, but I believe they represent the views of a great many Canadians and that they support our call for a plebiscite. There has also been a great deal of editorial comment in various newspapers. I think a few of these comments should be put on the record at one time and in one place so we can read them together. The Fredericton *Gleaner* comments:

Far from creating national unity, the Prime Minister's flag seems bound to create greater dissension than the ensign.

The Charlottetown *Guardian:*

Many Canadians will wonder why there should be urgency in deciding a matter of this kind, especially when there is so much other business of importance to be dealt with.

The Quebec *Chronicle-Telegram:*

But the question that is being asked all round, particularly in this part of the country, is why the sudden haste?

The Vancouver *Province:*

Bullheadedness on the new flag. Some of Mr. Pearson's supporters may call this political courage, but cooler heads must know it is blind stubbornness.

The Regina *Leader-Post:*

A useful purpose is to be served by discussion.

That is what we are doing now.

But that is as far as the matter should go at the present stage.

The Welland *Tribune:*

Ottawa is being flooded with opinions of many individuals and organizations. It would be well to allow time for these opinions of average citizens and representative organizations to be assessed before parliament is asked to make a decision. A national flag is a symbol which all citizens should be proud to respect.

The Kingston *Whig-Standard,* whose owner is a very prominent Liberal:

Mr. Pearson has issued a challenge to Canadians. He is betting on the weakness of parliament to sustain him in his decision to sell us out. This is a bitter day for Canada.

The Toronto *Telegram:*

Prime Minister Pearson has been dangerously reckless in daring the members of parliament to call for a vote of confidence on this emotionally charged issue. This is a form of blackmail.

The Saskatoon *Star-Phoenix:*

Mr. Pearson is prepared to make flag an issue on which his government would stand or fall. We think in this he has used questionable judgment. Mr. Pearson would be well advised to back out gracefully at this stage.

[Mr. Pascoe.]

The Vancouver *Province:*

We suspect Mr. Pearson has done a little nose counting in the House of Commons. But he has not been able to count the noses of Canadians who are outraged at the thought of abandoning a flag sanctified by the lives and the blood of thousands of our countrymen in two great wars.

The Toronto *Globe and Mail:*

In his haste to give Canada a distinctive national flag Prime Minister Lester Pearson has set his government and the nation itself on a collision course. There is still time for him to alter it. But there is not very much time.

Here are a few editorial comments with direct emphasis on the need for a plebiscite. I refer to them at this time to emphasize our request for a plebiscite on this question. The Sarnia *Observer* comments:

Because this is an emotional and highly personal issue we believe that the effective way to deal with the problem would be to call a plebiscite some time next year.

That is our suggestion, Mr. Speaker. The Toronto *Telegram* comments:

The people of Canada should be allowed to decide whether or not they wish to live under the flag of their forebears or discard it in favour of a new emblem.

The Moncton *Times:*

There is only one sound solution: That is for there to be a national referendum embracing all voters. The selection of a new flag should be left to the people and the majority choice should be accepted.

Mr. S. J. B. Sugden, co-ordinating director of the committee of one million to defend the Canadian flag, comments:

One way we can be effective is to demand a plebiscite or national vote on the flag issue.

I think these editorial comments are very enlightening on the need for a plebiscite. I draw the attention of the house to this report in the Ottawa *Citizen* of June 29. It is a dispatch from Winnipeg headed "41 Per Cent Like Ensign, Poll Shows", and it reads as follows:

A flag poll at the eight day Red river exhibition here saw 41 per cent of 15,000 persons indicate a preference for the red ensign as Canada's national flag. The poll, sponsored by the Manitoba New Democratic party, showed 32 per cent of those polled favour a tri-maple leaf flag, 15 per cent a new flag with one maple leaf and 12 per cent a new flag with some other design.

Here is the point I want to emphasize:

Seventy four per cent of those polled favoured a national referendum on the flag.

Before concluding, Mr. Speaker, I have a proposal in regard to the flag debate which may find favour with you and with the house. You will recall that the original government

resolution proposed the three maple leaves design and the union jack. It was commonly referred to as the two flag resolution before Your Honour ruled that it should be divided into two parts for two separate votes.

My proposal is that before the final vote is taken on the first half of the resolution there should be a debate on the second half in regard to the union jack. I think the attitude of this house concerning the union jack should be made clear by debate before a final vote on the three maple leaves design. I offer this suggestion in the hope that it will be accepted by you and by this house.

Mr. Macdonald: The hon. member asserted the proposition that a red emblem on a white background is a flag of surrender. Does he therefore say that the Royal Navy and Royal Canadian Navy white ensigns are flags of surrender?

Mr. Pascoe: If I have time.

Mr. Macdonald: Will the hon. member permit a question?

Mr. Pascoe: I did not make that suggestion. I just read the comments in an editorial.

Mr. Macdonald: You read the comments but did not take responsibility for them as part of the whole speech?

Mr. Pascoe: I made them part of the record.

Mr. H. E. Gray (Essex West): In participating in this debate in a week which has seen the 97th anniversary of confederation, an anniversary marking the beginning of our history as a nation, one cannot fail to be conscious of the fact that those who now speak are taking part in an event which in future years may well be looked upon as among the more significant in this history. This government's proposal to parliament for a national flag for Canada is but one part of the evolutionary process that began with confederation and continued with the imperial conference of 1926 and the statute of Westminster in 1931. In fact it might be said that this proposal is basically a reflection of the status that has been ours completely, at least since 1931, a status which many today feel should now be clearly evidenced by the symbols we use to identify our nationhood.

As a younger member of this house, Mr. Speaker, I consider that the opportunity to participate in these debates is perhaps one of the greatest honours and privileges that can come to any Canadian. I am deeply conscious of the responsibilities that must fall upon everyone who is given this opportunity. One of these responsibilities is the duty to make decisions on matters of national importance, a duty which none of us have any real right to cast aside or shirk because we find there are strong differences of public opinion on the question. It is true that members must give very serious consideration to the views of all those who may call upon them as their representatives to oppose this proposal. However, members must also consider no less seriously the views of those who call upon them, also as their representatives, to support it. Being asked to make decisions on matters of national importance upon which there is not already any complete agreement amongst the people is the very essence of our parliamentary system. This system, to paraphrase the words of Edmund Burke, demands of members elected by the people that they bring to parliament not only their industry, not only their efforts on behalf of their constituents, but also their judgment which they must be prepared to exercise in the national interest.

If we are not really willing to take our responsibility to make a decision as members of parliament and as a parliament on this question, how can we refuse those who may insist on a referendum on the Canada pension plan or a national health plan? These are also issues of great national importance that touch the lives of all persons in Canada in a direct way that even something as important as a national flag can never do. Those favouring the referendum have not given any compelling reason as yet, and I do not believe they can, as to why this procedure should be suitable and, in fact, is needed for this flag proposal and at the same time should not be used for other matters of national concern.

Those opposing this government's flag proposal have spoken often of tradition, of its importance, of its value for our present day existence. They say, quite wrongly I think, that in making this proposal our traditions, our heritage, particularly those parts coming from Britain, are being cast aside. Yet at the same time, by moving this amendment calling for a referendum they are urging in fact that we cast aside the concept that lies at the very core of our British political traditions. I refer to the basic concept that members of parliament, once elected by the people, have a duty to make decisions on matters upon which there is no unanimity of public opinion. The official opposition is, in fact, asking us to cast aside that part of our British tradition that says the making of decisions on matters of public

importance by referendum is not a part of our political institutions, political institutions which have evolved over the centuries, first in Britain and later here in our own country. In rejecting this tradition they would follow one that is still essentially foreign to us, that of the republican system in the United States, in some parts of which the referendum is an accepted part of the process of government.

I was very impressed with the words spoken over 20 years ago by the present Leader of the Opposition when he opposed the plebiscite in 1942 and asked that the parliament of Canada be allowed to decide the issue. Surely those words are no less applicable today.

It has been suggested also that a referendum or plebiscite on the flag issue would enhance national unity. The experience of this country with the plebiscite of 1942 would indicate that it would do exactly the opposite, emphasizing possible divisions between sectors of our country and in fact creating them where they might not have existed before.

The tradition of our parliamentary system against deciding issues by referendum is reflected and followed by the approach taken by various national organizations. I, and I think most people in this house and in the country, have been very impressed by the wonderful work of the Canadian Legion for physical fitness and in looking after the interests of veterans of all our wars. But I have also been impressed by the fact that the Legion did not take a referendum amongst all its members before substituting the maple leaf for the union jack on its own badge. Instead, this decision was made by the elected delegates of the membership in convention assembled, even though many individual legionnaires, I understand, were strongly opposed to this move. Nor was a referendum of all its members taken to see whether they approved its current official stand on the red ensign. Instead this policy, which I respect, was again adopted by a vote of the delegates assembled in convention, and again even though it is apparent that not all its members support this stand.

I say this since men like Colonel Keiller MacKay, a co-founder of the Legion, support the proposed maple leaf flag. In so far as I am aware, none of the organizations that are urging the adoption of the red ensign or a national referendum on the flag issue have themselves held a referendum among their members to gain prior approval of their position.

Tradition has often been referred to in this debate. Various opposition members have wrongly suggested that in adopting the maple leaf flag we will be adopting a flag bearing a symbol without any tradition. The maple leaf is also a central part of our Canadian tradition. The speeches of the Prime Minister and the hon. member for Leeds among others, illustrate this very well. If it is important to have our traditions reflected in our flag, then let us choose a symbol which is part of this tradition but which will enable us to have a flag which cannot be mistaken for that of any other country. Perhaps most important of all, it should be a symbol which all Canadians, no matter what their origin may be, can hold equally as their own.

The three maple leaves conjoined on a single stem, I suggest to this house, is in fact such a symbol. The maple leaf is rooted deep in Canadian tradition. It has been used by the people living on this northerly half of the North American continent to distinguish themselves from others in the human spectrum, to identify themselves as something different—as "Canadians"—since the visit of the Prince of Wales in 1860, eight years before confederation.

The maple leaf has been the symbol that Canadians have been using to identify themselves to friend and foe alike in the battles in two world wars and since then in the peace keeping operations of the United Nations in the far corners of the world. There is no other symbol that is as readily understood as saying "I stand for Canada", by people both within our country and around the world as clearly and as unmistakably as the maple leaf.

Traditions of Britain, especially those involving our political institutions, traditions of France and of other countries as well, all form part of our heritage and therefore of our own traditions, but they form part of our heritage as Canadians. They have all been shaped and altered by the buffeting winds of Canadian conditions and events. The three maple leaves on one stem are clearly a key part of our tradition, and a national flag for Canada based on this symbol will reflect this tradition and therefore all our heritage, but it will do so in a way that is distinctively Canadian.

I know there are those who are troubled over the prospect of a Canadian flag which does not bear in some part the union jack. I respect these views and the sincerity with which they are held, but let it not be forgotten that this government has also proposed that parliament declare that the union

jack may be flown as a symbol of Canada's links with crown and commonwealth.

I feel that approval by parliament of a national flag based on an emblem which all Canadians can hold equally as their own, no matter what their origin or ancestry, will be a major step toward creating a greater degree of national unity. It will be a major step toward creating a spirit of positive Canadianism that up until now has not been sufficiently developed in all aspects of our national life; a spirit of Canadianism such that a citizen of our country, whether he speaks English or French or both these languages, will consider himself first and foremost a Canadian and will also be considered as such by all his fellow citizens no matter what his ancestry might be.

I am proud to be able to participate in an event which may stand out in our national history. I know that in doing so it is not my wish, or the wish of those on this side of the house who support this proposal, to destroy or take anything away. Instead, we want to raise higher on the foundations of the past, the already imposing structure of Canadian nationhood, and take a step which I am convinced will soon result in a stronger and more united Canada. We are the inheritors and guardians of our country's past but we cannot be its captives, for we have equally important responsibilities to build our country's present and its future.

I am told that the grave of each Canadian who fell in battle in two world wars is marked with the maple leaf. We, the living, have given them this symbol so the world would know the country and ideals for which they died. Mr. Speaker, we the living, for ourselves and for those who will come after, can do no less than to adopt this same symbol and these ideals for this country today and for the ages.

Hon. A. J. MacLean (Queens): Mr. Speaker, I have noticed that several hon. members who spoke in this debate during the past few hours, including the last speaker, have quoted Edmund Burke. I too intend to quote him and to point out that in 1769 he said:

> There is, however, a limit at which forebearance ceases to be a virtue.

I use that as an introduction to what I have to say, not because I wish to take part in this debate from any rancour or bitterness, nor is it my intention to cause offence to any member of this house or to any group in Canada regardless of the views they hold. Although I may not agree with their views I will defend their rights to express them. I ask only for myself and for the people for whom I speak that same right, not only in this debate but in the flag under which we are expected to live.

I believe in all sincerity that this statement of Edmund Burke has application to the present situation. I believe in all sincerity this point has now been reached in Canada. I believe that we English speaking Canadians—and I do not speak for all English speaking Canadians, but in this regard I speak for a very large number of them—have been guilty of a disservice to our country and we have been unfair to our French speaking Canadian compatriots because we have been too silent for too long. We have been too long suffering in the face of attacks on many of the things that most of us hold dear, and I have come to believe that we have remained silent in an attempt to prevent giving offence to our fellow countrymen of French extraction.

We have followed this course because we refused to believe that the great majority of French speaking Canadians are truly represented by the loud and often hysterical voices of extremists. However, the voices of moderation and reasonableness in French Canada have been largely ignored, at least in the news media of English speaking Canada. It is the René Lévesques and the other extremists who are the delight of the C.B.C. and of those in the newspaper business whose stock in trade it is to sell newspapers with headlines screaming of intolerance.

By our silence we have implied approval of extremists who would divide us, and we have discouraged those of temperate attitude who would unite the country. On this question there are many people from all parts of Canada and many voices from Quebec—though largely ignored so far as news media are concerned—who recognize the reasonable rights of English speaking Canadians. They realize that English speaking Canadians have symbols that they hold dear, but these voices have been largely submerged by other more extreme views, leaving the impression in English speaking Canada that nothing brings satisfaction to French speaking Canada except that which will cause pain and anxiety to English speaking Canada.

This is a most unfortunate situation, and I for one do not believe for one moment that this is the true voice of French speaking Canada. It has been made to appear that the demand of French Canada is not to have in our flag a greater representation of the things

it holds dear, but the impression has been created that French speaking Canadians want one thing and one thing only, the removal of the union jack and other symbols, whether of French or British origin, from our flag.

That has caused a polarization, a reaction as natural as day following night. When that has been put forward as the official attitude of French speaking Canadians there has naturally been a reaction and the unfortunate thing is that there is polarization of opinion around the proposal of the government on the one hand, because it excludes the union jack from our national flag, and on the other hand there has been a rallying around the red ensign because it is something around which to rally and is the status quo. I think the wrong approach has been taken in the handling of this whole matter.

I support this amendment, of course. I rise to support the amendment to the resolution, not because it is the ideal thing but because it would be an improvement on the proposal of the government if the house would accept it.

I consider that I have a duty to put on the record and bring to the attention of the government not only my own views on this matter but also the views of the vast majority of the people I represent, because I am informed that these are views of large numbers of my constituents. In my constituency at the present time the people are occupied with celebrating the 100th anniversary of the first meeting of the fathers of confederation in Charlottetown, which led up to confederation.

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): I am proud to represent the constituency in which that first meeting took place. The people of my constituency are, at the same time, worried that there is evidence of tendencies which will not assist national unity at a time when we are reaching the 100th anniversary of a very important date. Large numbers of my constituents—almost all of them—feel strongly that the union jack should be retained in any Canadian national flag. Most of them would support the red ensign. Most of them would agree with Mackenzie King's point of view which is expressed in an article which I read just recently written by Mr. James McCook and appearing in the Ottawa *Journal*, Mr. McCook says:

> Just after the last war this reporter went through Belgium and Holland with Mr. King and in the evenings, after the honours of the day had been done him at meetings large and small, he used to tell us that if Canadians could see the respect given the red ensign in Europe they would have no doubt about what their flag should be.

Most of the deep trouble we are now in as a nation over this very important and potentially divisive problem is due to political deception and deceit. No party in this house is free from guilt in this connection. I am one who believes that you can never arrive at honest and correct conclusions if you do not at least attempt to start with valid premises. As I said, no party is free from political deceit in this matter, and it is a sad commentary on this state of affairs that at the present time the strength of the various parties in this house is roughly in direct proportion to their guilt in this matter.

I hope this is only coincidental. Both major parties bear more responsibility in this connection than do the others, because they are national parties and seek support in all parts of Canada. Both major parties have passed resolutions within their ranks supporting a distinctive flag, and I sincerely believe that the only reason these resolutions could have passed at the annual meetings of either of the major parties is that the word "distinctive" is deceitful in itself, because it means different things to different people, depending on what part of the country they come from.

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): In English speaking Canada we believe that we now have a distinctive flag. The order in council that established it says so. The prime minister of the day, Mr. Mackenzie King, believed so. The order in council says in part:

> —and that it shall be appropriate to fly the Canadian red ensign within or without Canada wherever place or occasion may make it desirable to fly a distinctive Canadian flag.

That is one end of the spectrum of the various interpretations of the word "distinctive". At the other end of the spectrum is the view that a distinctive Canadian flag means anything as long as it has not on it the union jack or any other symbols of European countries from which we derive our origins, regardless of what groups may be involved.

Mr. Moreau: Mr. Speaker, would the hon. member permit a question?

Mr. MacLean (Queens): When I am finished. I do not propose to allow myself to be interrupted at this time. The Prime Minister has said that he insists upon parliament dealing with this matter at this time because he

was given a mandate by the Canadian people in the last election campaign; because the establishment of a distinctive flag within two years of assuming office was one of the planks of their platform.

Nothing could be more unreal than that contention. I am certain that in many parts of Canada the people voted for the present government in spite of that item in their platform and not on account of it. Never on any occasion, to my knowledge, did the Prime Minister stand up and say what he meant by a distinctive Canadian flag. I am as certain as I am that I am standing here that there are constituencies in Canada that would have taken a very strong line had the Prime Minister done this. If he had stood up in public with the design which the government proposes and said "If I become prime minister this will be the flag, and there will be no reference to the union jack or other symbols on it", I am sure that many of his supporters now in the House of Commons would not have been elected.

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): In other parts of Canada, if the Liberal candidates had stood up and proclaimed this they would not even have been nominated by their party. In addition to this, the flag issue was a minor issue in that campaign; it was interwoven with many other isues. The government does not know whether it was elected partly on account of the flag or partly in spite of it. In point of fact, only 42 per cent of the Canadian people saw fit to vote for this government, and the majority of our people decided not to do so.

Has the government a mandate? No. If proof is required I could refer to letters I have received from people in my constituency who have been traditionally Liberal and all their lives have supported the Liberal party. Their views on this matter would convince any reasonable man that the government has not a mandate in this connection. I should like to quote briefly from one letter. The reference is to the Prime Minister:

> An election now, with feelings hot about the flag, would see many diehard Liberals voting away from his party.

That is referring to the Prime Minister. The letter continues:

> He undoubtedly will be replaced and put out to pasture. Goodness knows, he has done enough harm already.

That is the reaction that this flag question has stirred up in my riding. In addition, Mr. Speaker, can it be contended, for example, that the premier of Newfoundland worked hard to bring this government to power because it was going to eliminate the union jack and other symbols from our national flag? Of course not. Mr. Speaker, back on May 15—I remember the date because it happens to be my birthday—the Prime Minister gave this house a great, long list of important legislation which we should deal with before a summer recess. There was no mention of the flag debate at that time. On May 12, prior to that, when there was still no indication when the flag issue would come up, the Prime Minister said that members of the house would be allowed to vote according to their conscience. The following week, on May 19, it was a question of confidence in the government, and he indicated that an unfavourable vote would bring on an election. On May 26 he said that the resolution would be on the order paper the next day, I believe it was.

Now, what happened in the interval to change this attitude? The only thing that happened of which we know was that the Prime Minister went to Winnipeg and addressed the Canadian Legion. I do not know what he expected the result of that address would be. I would draw no conclusions, but it does remind me of something which happened on December 29, 1170 when another petulant person in power said, because he was miffed, "Will nobody rid me of this insolent priest?" So four retainers galloped off to Canterbury and murdered Thomas à Becket.

The situation here could be explained by somebody saying: "Will nobody rid me of these insolent Royal Canadian Legionnaires?" So somebody came up with this resolution, to stuff it down the throats of Canadians who stand for all they believe in and what they wish to have in their flag without trying to exclude the things anybody else believes in.

Even if the government had a mandate and a majority—and it has neither—to pass far reaching legislation, this is no ordinary legislation. A flag should be as permanent as a country itself. No parliament can bind future parliaments, so that if this parliament by a simple majority can decree what is to be our national flag, each future parliament in turn can replace that flag with one of its choice. What a dismal precedent; what a dismal and divisive prospect this holds out for us.

Democratic government as we understand it presupposes an understanding by those

in power of the rights of minorities. The notion that a ruler has the moral right to do anything that he has the technical power to do is the philosophy of a despot. A flag should have in it symbols which will lift the pride and inspire the patriotism of all groups who live under it, especially those who feel strongly about the symbols they hold dear. It should be a unifying force, not a divisive one. This is no age for anyone to issue a sort of ukase, forcing down the throats of the Canadian people the personal choice of any man or small group of men. Such action will split this country from sea to sea, not unite it. It is not important to me whether the split is down the middle, to one side or to the other; it is the split itself which Canada cannot stand at this time.

There are many Canadians in French speaking Canada as well as in English speaking Canada who recognize that the most important thing Canada needs at this time is unity, and there should be a unifying force in the symbols under which we live. Excellent suggestions have been made that it should be a matter of compromise. For example, there is the very attractive approach to this question of the flag suggested by Mr. Jean Dubuc, 730 Talus, Ste Foy, Quebec; another from Paul E. Marcoux, 9054 St. Hubert street, Montreal 11, Quebec, and another from Mr. J. D. Davidson, of Debert, Nova Scotia, all of them recognizing that there is a need for symbols in a flag which will represent the various groups that make up this Canada of ours and give each group a reason to have pride when that flag is flying.

It is my sincere belief that minority groups have rights in this matter, but this is not to say that minorities alone have rights and that the majority has none. I believe that minority groups have a right to have the symbols they love and cherish represented in our flag. But just as emphatically I believe that no group has the right to dictate to any other group what that group cannot have in its flag. I think this applies whether the groups concerned are majorities or minorities.

I am a member of a very large group of Canadians who passionately believe that the symbols of our origin should be retained in any flag chosen to fly over us. France has given us much; but I am a Canadian of other than French extraction so I do not believe it is my right even to suggest to French speaking Canadians what they should have to represent them in their flag, much less to suggest what they cannot have to represent them in their flag. I am speaking, of course, of the national flag.

I will, however, speak for the people I do represent. These people come from many racial groups—Scottish, English, Irish. There are also many Acadian French. Then there are lesser numbers of Germans, Dutch, Danes, and even smaller numbers from other nationalities, including Chinese, Lebanese, etc., plus a few native Indians. No priority is attached to the list except in terms of numbers. With the exception of the last named all these people, or if not they their ancestors, as the case applies, came to live under the union jack out of choice. If I am asked whether I include the Acadian French, I do; because at the capitulation at the fortress of Louisburg when Prince Edward Island was covered, the terms of the capitulation provided were that French settlers in Prince Edward Island should have the right to be repatriated to France in ships sailing under cartel free from molestation by either of the combating sides.

The ancestors of the Acadians I represent chose to stay and live under British rule. They made great contributions in all fields, in the professions and in government. For example, at the present time the mayor of Charlottetown is of Acadian extraction, as is also the minister of welfare and labour, to cite only two. The flag which these people have chosen to live under is known all over the world as the flag of freedom. Everywhere the union jack is flown it has left legacies of values which we all cherish regardless of our racial background; freedom of speech, freedom of religion, freedom of the press and freedom to elect a legislature in a fully democratic way.

Now, it is fair to ask: If the government has taken the wrong approach to this matter, what is the right approach? My belief is that the right approach is to assess in some democratic way the wishes of the various groups in Canada as to what symbols they want to have to represent them in their national flag. This could have been done by members of parliament had they been given the right to freely express the opinions of their constituents in a free vote. Or it could have been done by a committee composed of members of all parties represented in this house. But the door has been closed on that. There is, of course, the possibility of a plebiscite such as this amendment proposes, and there are other ways. One would be a federal-provincial conference at which the provincial

governments could assist the federal parliament by expressing the views of the people they govern as to what they would like to see in a flag.

I do not maintain that the provinces would have the right to select a national flag. I suggest such a meeting only as a source of valid information. The Prime Minister says why call on the provinces? The provinces have developed provincial flags of their own without reference to the federal government. That is true, but I am sure the provinces in selecting those flags ascertained the wishes of the people in the various parts of those provinces and had those wishes reflected in the flags which were chosen.

Another way of proceeding would be to call a national conference on this matter, at which various organizations would have the right to make representations as a means of channeling up to the government the real wishes of the country in regard to this matter. After all, a flag is a thing of the heart. There are millions of Canadians who want the union jack retained in the flag in some way. At the present time many of them who would not otherwise do so support the red ensign simply as a reaction to the demand of the government that the union jack be removed from the flag. But these are reasonable people. They would be willing to compromise. It is true they want the union jack, but many of them would not care if it were in lengthwise or sideways or even edgewise, as long as it was there. They put great stock upon the union jack. They know it to be a flag of freedom, a flag of Christendom. They feel that any move, especially by a minority government, to deprive them of it would be an infringement of their rights even though the government estimated it had the power to do so.

Prime ministers come and go, but the flag should be a permanent thing. Only last Saturday one of my constituents in conversation with me summed up the attitude of many of my constituents by saying "We are approaching a deadlock on this matter, but there is a a perfectly simple solution. Leave the flag alone and change the Prime Minister."

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): Then, when the wishes of the various groups in this country as to the symbols they hold dear have been appraised and measured, a committee of all parties in the house, including representatives from the Senate, could work on a design for a flag incorporating those symbols. Such a committee should have with it to assist it a group of advisers, a panel of heraldic experts. One such who comes to my mind is Dr. Conrad Swan, a Canadian who has achieved preeminence in this field. I suggest the assistance of this panel of experts because the final design of a national flag is a very intricate thing, not simply as a pennant but because of the many and various uses to which it has to be put. A flag should be suitable for all these variations.

We are now considering a resolution which would proclaim this particular pattern as the national flag. There is no indication what result this would have on not only the Canadian red ensign but on the Canadian blue ensign which is flown by all government ships. There is no indication what will become of the air force flag of Canada, a beautiful flag which has come to be loved especially by those who have served in the Royal Canadian Air Force; and almost a quarter of a million people served in that force during the second world war alone.

Mr. Grégoire: That is repetition.

Mr. MacLean (Queens): That may be true, but I have a right to repeat this on behalf of the constituents I represent.

Some hon. Members: Hear, hear.

Mr. MacLean (Queens): I have no objection to the maple leaf as a symbol to be included in a Canadian flag. It has been used as a trademark of Canada, usually in conjunction with some other symbols, for many years. But to me a maple leaf by itself is not adequate for a flag, whether there be three leaves or one.

An hon. Member: What do you want?

Mr. MacLean (Queens): I will tell the hon. member; just give me time. I believe a flag should not be a pictorial representation of the flora or fauna of any particular geographic region. It should stand for something much more significant than that. I have no objection to the maple leaf being used in addition to the symbols we hold dear. The three crosses in the union jack represent, for example, England, Scotland and Ireland. They also represent the Christian heritage which we all pretend, at least, to support. The union jack was arrived at by a reasonable process of compromise. Had the flag of either Scotland or England been imposed on the other, there would not have been such a relatively easy blending of two nations which were at each other's throats for centuries.

An hon. Member: What about Ireland?

Mr. MacLean (Queens): We of Anglo-Saxon, Scottish and Irish origin put great stock in this because these crosses go back to the days of the crusades, the time when the west was threatened by a growing wave of Mohammedanism. At the time of the French revolution France discarded Christian symbols from its flag, but in the dark days of 1940, 1941 and 1942, when France had been overrun and was represented only by the free French expatriots, they returned to a Christian symbol in the form of the cross of Lorraine.

Mr. Grégoire: That was not the flag of the French, and you know it.

Mr. MacLean (Queens): The hon. member will have many opportunities to take part in this debate and correct any errors he believes I have made.

Mr. Grégoire: I am correcting one now.

Mr. MacLean (Queens): I must say that now, when our way of life is threatened and our very civilization is in jeopardy from those who would engulf us, to see the symbols of Christendom struck from our masthead would give those forces nothing but cheer.

I am astonished at so many of those who look on themselves as champions of Christendom but who are dupes in such a process. Those who would submerge us in this world struggle for men's minds know full well that a rootless people cannot survive. Edmund Burke again has said that people will not look forward to posterity who never look backward to their ancestors. The way of subversion is to bring into disrepute by any means the system of government; respect for law and order; to erode the values by which we live; destroy the symbols of our history, weaken our resolve to defend the principles for which we stand. Once these things are accomplished the rest of the course is easy for those who would subvert us.

Unfortunately there has been let loose in this land in recent times a trend to intolerance which gives ready will to use the opposite race as a scapegoat for all the ills that any single group feels are theirs. It is so simple to blame it on the English or blame it on the French when in actual fact this is not the cause of the trouble at all.

The intemperate demands of one segment against the whole, this vicious, ever-accelerating frenzy in which the maximum demands of yesterday become the minimum demands of today, can lead nowhere but to destruction. The ignorance of our history in some parts of Canada is pathetic, and I am not speaking of any particular racial group now. I saw recently that among high school graduates there were only 10 per cent, I believe, who knew who was the first prime minister of Canada, and they did not know who any of the others were.

What disturbs me is that we have these unfavourable trends which are becoming accentuated and which will divide our country. I say sincerely and without recrimination that as far as I can see the government's approach to this problem is to feed this crocodile well in the hope that it will eat them last.

Mr. Deputy Speaker: Order. I do not wish to interrupt the hon. member, but his time has expired.

Some hon. Members: Continue.

Mr. MacLean (Queens): Mr. Speaker, I believe sincerely, like millions of other English speaking Canadians, that our compatriots in French Canada are not represented truly—

Mr. Deputy Speaker: Order. Does the hon. member have the consent of other hon. members to continue?

Some hon. Members: Agreed.

Mr. MacLean (Queens): I understood I had agreement, Mr. Speaker, and that is why I proceeded. I am nearly finished. I want to make one personal observation at this point. I wish to say that I have the highest regard for French speaking Canadians. I have associated with them closely. I have lived with them for years. For two years I had the honour to command a little R.A.F. unit overseas which was made up of officers from New Zealand, Australia and Canada. I was proud that the Canadian representation in that unit were all French Canadians except myself. We worked together with the greatest and closest harmony. There has been no loss of the mutual regard we had for each other, with the result that even to this day we exchange our children in the summertime so that our children will have the opportunity to learn something of the opposite language and to see that people of the opposite race in Canada do not have horns.

I know the Prime Minister is not present at the moment but the Secretary of State is here, and there is something I should like to say. I say it in no sense, believe me, of any party taking political advantage of anyone. But I plead with the Prime Minister at this time to reconsider, to back away from this course of action, because I am sure it will

have a divisive effect on Canada and cause wounds that will not be healed for many years.

An hon. Member: That is what you are doing now.

Mr. MacLean (Queens): That is not what I am doing now. My proposal is that all racial groups in Canada, especially the two founding races, have symbols in our flag of which we can each be proud. I contend that neither race has the right to say what the other cannot have on the flag. In effect that is what is being said to us at the present time, and we resent it. I should like at this point to substantiate what I have said by reading a brief letter addressed to me. It reads as follows:

W/C. The Hon. J. A. MacLean, D.F.C.,
House of Commons,
Ottawa, Ont.

Dear Sir:

There has been a great deal of controversy recently concerning the proposed distinctive national flag and our association feels that we should make known to you our preferences in this regard. The united services officers club of Charlottetown includes in its membership nearly all of the officers of the armed forces resident in Prince Edward Island—

I might interject that it includes all retired officers as well as presently serving officers.

—and it seems to us that, as leaders of Canada's military forces in war and peace our opinion should be of assistance to you in resolving this difficult problem.

A special general meeting of all members of the club was held the evening of May 29 in the club rooms and the following motion was passed: That we are opposed to any Canadian flag which does not incorporate the union jack.

May we respectively solicit your support in this respect?

Yours truly,
Ian G. Kerry
President of U.S.O.C.

May I say that this is not some minor club. It has among its membership nearly all the leading citizens of Prince Edward Island by virtue of the fact that they have held commissions in the services at one time or another. I ask the Prime Minister to put patriotism ahead of party, or whatever the motivation is in this case. Give time for consideration. This is a great issue. It is not fair to parliament or to the Canadian people to expect it to be resolved in a headlong rush at a time when we are all under tensions and frustrations and when another look at this matter would be of great advantage.

The Prime Minister should realize that Canada is not a monolith that has to conform to the specifications of any one man or any one group. Canada is a mosaic contributed to by all the various groups. Only the day before yesterday this was so well depicted by the very fine program on the front lawn initiated by the Minister of Citizenship and Immigration. I congratulate him on it. There you had a representation of the contribution of all the ethnic groups and the various cultures that go to make Canada into one worth while mosaic.

I will not go into it now, but I would refer the Secretary of State to the fact that problems of this very type arose in South Africa in the 1920's. The government of the day there started out with exactly the same technique, but they had the good sense to retreat from it and not to divide the house on the matter on second reading of their legislation. Eventually committees were established and a compromise was reached in which all parties and all the people represented in that parliament could at least acquiesce.

This is the only way, Mr. Speaker, that we can work toward unity in this country. If you want evidence in support of that fact I would say that in spite of the difficulties experienced by the whites in South Africa, who were so disturbed about this matter in the twenties, they are now more united than they have ever been before. I say that if the Prime Minister is a man, and I believe he is, he will not divide the country on this issue. If he is a statesman, I believe that he will not even divide this parliament on this issue.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, in rising in this debate on the amendment moved by the Conservatives to have the matter of the flag settled through a referendum, I must admit that one thing amazed me. While I listened to certain Canadians, certain English speaking representatives, one after the other—especially those from the Conservative group, although there were some from the New Democratic party and even from the Thompsonists—I noted that members of that little group which is somewhat like the Tory spirit brooding over parliament to sow discord, in a quite desperate effort, wept their last tears in an incoherent language, always the same, mourning the loss of the red ensign.

Canadian Flag

Mr. Speaker, do you honestly think a man could lose what he never had? Is it even possible to regret what you have never owned?

Indeed, in 1945, our troops could never be told from British troops. Other countries could not single out our troops who were always at the line of fire in all British wars. Canada having no identification flag, her government decided, in September 1945, since they could not succeed in making one of their own, to borrow the ensign from the British merchant marine.

Is it because the United Kingdom considered our Canadian troops merely as mercenaries of the proud Albion? Were our troops considered as mere merchandise that could be sold to a country at war? True Canadians are still puzzled in regard to the spirit which inspired this selection. Since then questions are constantly being asked that give rise to much controversy. For lack of a sounder argument we were told that the situation was temporary.

However, Mr. Speaker, we find that what was to be temporary is taking a permanent character, and our men continue to fight for liberty, under the auspices of mercantilism.

However, it was indeed mentioned in the house that such loan was only temporary. Hence I am surprised to hear this group clamouring to appropriate an object which had only been loaned. In life I was always taught that other people's property had to be returned; this property may have been very useful to us since many French Canadians today have gone to meet their Maker, after having been good servants during their lifetime.

In my opinion the red ensign now deserves to be returned to its owners.

The government offers us the design of a new distinctive flag, of a really Canadian flag, in the true sense of the word. This government has certainly not selected this design lightly. We ourselves presented a distinctive design, but we bowed before the opinion of the majority, and, in order not to delay any longer the debate on the various designs, in the interest of the country, we have foregone our own selection so that the design proposed by the government would be unanimously endorsed.

Now that the debate on the design has come to a close, the official opposition demands a referendum on the acceptance of this same design, and pretends that the people have not been consulted.

[Mr. Gauthier.]

Stop making us laugh with your ridiculous buffooneries which mean nothing, but still the country has to pay for such unheard of childish debates.

The Canadian people have requested a distinctive flag for a hundred years. Indeed, in 1945, in order to satisfy the desires of the people, the government decided to borrow the ensign of the British merchant marine, pending the time it would be in a position to decide on its own design.

To ask a popular consultation is precisely the Conservative way of sending into oblivion a proposal which that party was never honest enough to present to the Canadian people, when 98 per cent of the province of Quebec and almost 80 per cent of the people in Canada as a whole instructed us, at the last election, to give Canada a distinctive flag.

In such a case would we be going back to our constituents to get permission they already gave us? This is sheer nonsense. In my opinion, to ask for a referendum on a question when 100 per cent of my electors gave me a clear and precise mandate would be evidence of obvious inefficiency.

What are the motives of a group of Anglo-Saxons and a few new Canadians who do not understand yet the meaning of the words "Canadian-bi-ethnical", who have not understood yet that it is time to get out of mythological colonialism and have not realized that Canada is now an adult country?

Perhaps we will never know, it is probably because they remained in Canada without really belonging here.

They are somewhat like the husband who could never leave his mother for his wife. The story goes on to say that he finally divorced.

I do not even dare to think that any group among them could take action to kill right off a measure of such importance to Canada, because they would show the whole world that they are traitors to their country.

I was listening the other day to the hon. member for Qu'Appelle (Mr. Hamilton) who was saying how the government of the day had held a plebiscite concerning conscription in 1942. He added that that plebiscite had done justice to Canada. I will not discuss that question which the hon. member for Qu'Appelle fully outlined, because 76 per cent of Quebeckers voted against conscription.

This means that the 1942 conscription did not do justice, as mentioned by the hon. member for Qu'Appelle. Indeed, a plebiscite

or referendum, just like the popular vote, is very much influenced, not to say more by all the political factors.

However, with regard to the comparison made in the house by the hon. member for Qu'Appelle, I maintain that the present question is not at all the same as the situation which existed in 1942. In fact, in 1942 the government of the day had explicitly promised, with the evident purpose of being elected, not to impose conscription. After being elected, it remembered that finance had its rights and that it was stronger than governments. Reneging on their most solemn election promises, this government, admitting defeat before the giants of finance, had no alternative but to go once more to the people asking to be freed from its undertaking.

Indeed, the people had not voted for the military and the government which was elected in 1942 was not committed to impose conscription. On the contrary, its terms of reference being quite clear, it had to promise the people not to launch this country into the blazing furnace of war.

That is why a referendum was called for at the time. Whereas today this government made the flag one of the main planks of its platform in the last election.

We, of the Ralliement Créditiste promised our voters to support without reserve any government which would have the courage of presenting a distinctive flag to the house. We now have this distinctive flag design, for which we were elected. What else do we want, Mr. Speaker?

Our party is in favour of immediate and concrete decisions. We are not a group of puppets, but a group determined to do something for Canada, if it is not too late.

We say that now is the time for Canada to have its own flag, and not a borrowed one.

We are proud to see that 75 per cent of the members, Anglo-Saxon, Canadian or new Canadian, are prepared to support the proposed flag. I say to the house that this may be the first indication that we are really on the way toward achieving Canadian unity.

It may be argued that there are still some opponents in the house. This only proves the rule. We should not take offence at that fact, because there will always be some opponents, even if it is only to preserve the seed of colonialism planted in Canada 300 years ago. We should not give them more importance than they deserve.

Similarly, we, from Quebec, hear with some satisfaction the loud protests of a small group.

In fact, for years Quebeckers have been accused of being separatists, of wanting to destroy confederation and now with the introduction of a really distinctive flag, the true enemies of Canadian unity come out of the shadows. Now the country will know who does not want any understanding in Canada. And you can imagine that it is not French Canadians.

What a scandal to have thus shown their petty secular game. You can see those who have always remained riveted to one-way traditions, without ever officially considering the two ethnic groups making up Canada.

That is why I was very sorry to hear a new Canadian who claimed the other day that he was speaking on behalf of his group. Poor fellow. As a latecomer, he still has a lot, not to say everything to learn, since he has not yet grasped the meaning of the democratic system in Canada. Imbued with the socialism of countries behind the iron curtain, they are unable to understand the democratic freedoms, because in a democratic country they live without realizing it, like socialists, like integrationists.

I fear there are still too many of those new Canadians, and even some Anglo-Saxons, who are unable to take their adult life seriously. It would be time for them to examine their conscience.

Speaking on the amendment, the hon. member for Victoria, Ont. (Mr. Lamb) expressed the fear that each province might have its own flag.

Earlier an hon. member stated that the new flag might favour especially the French Canadians, which is totally incorrect since, at the present time, many more Anglo-Saxons than French Canadians are in favour of that flag which pleases me greatly. It indicates that this flag design will foster unity in Canada and that we are fighting for the recognition of the two great ethnic groups in our country.

Someone said earlier that in his province French Canadians faced no problems. I quite believe it; it is forbidden to speak French on the labour market. Look at what goes on in those provinces and you will see that the English and the new Canadians do not dare to try to understand the difficulties experienced by those French Canadians who want to keep their language. And then they come to us and tell us matter of factly: We have no

problems with French Canadians in our province. Of course not because they have been integrated for 50 or 60 years; we have seen it in the case of the Acadians who have become integrated. The French Canadian does not want to become integrated and I wonder if that will be understood some day.

I suggest to some people in those English speaking provinces to reflect briefly at night on the situation of that ethnic group. We have a Canada made up of two ethnic groups, and I wonder if the new Canadians will finally understand that country because when French Canadians are obliged to attend English schools, to use English at work and before the courts, where everything is done in English, they tell us: We do not have any problem with French Canadians in our province. Of course not, because they are patient, much more patient than some groups which today are up in arms because there is talk of adopting a national flag for the whole of Canada.

It will be necessary to search our souls, to come back to our senses and to ask ourselves what is a Canadian, a true Canadian? A true Canadian, as I said a little earlier, is somewhat like a husband. He must leave his mother, his father, in short his native land.

If we want to build a Canada worthy of every Canadian, whatever his origin may be, as long as you keep on creating here mother-country images, you will not be true Canadians. And that might be because you never had the opportunity to make sacrifices to deserve this Canadianism. We shall have to dispel those images and get down to work, because there has been enough talk about such myths. It is high time to think like the true Canadians that you are and that you should all be in this house.

Frankly, I am shocked to see those groups hanging on doggedly to the red ensign, which they admire because it was loaned to us, because it served our purpose and it was all we had. However, we should decide to give it back. It is all very well to be patient, and I think England has been very patient, but today she must be given back what belongs to her. Today we have a government that had the courage to offer a flag to the nation. Although we do not agree that it is 100 per cent representative of Canada, we abide by the decision and say: this is our flag and we shall fully support it.

[*Text*]

Mr. Webb: Mr. Speaker, I wonder if the hon. member would permit a question. With regard to those of us who have spoken for the retention of the red ensign in this debate, the hon. member has said that we do not understand their position and he cannot understand our taking a position in favour of the retention of the red ensign. He has also said he is for the unification of all parts of Canada. I would like to ask him if he ascribes to the views of the leader of his party, who said when making a statement not too long ago:

> Réal Caouette, the deputy leader of the Social Credit party, admitted that he admired Adolf Hitler and Benito Mussolini for their political qualities. Mr. Caouette said also that he had refused to fight in the second world war because "...I didn't think Canada had given me anything worth fighting for".

Mr. Langlois: I rise on a question of privilege—

Mr. Webb: I want to finish my question. Does the hon. member not agree that the very principles he is putting forth are those used by the dictators in this world to conquer other countries?

Mr. Langlois: I rise on a question of privilege, Mr. Speaker—

[*Translation*]

Mr. Gauthier: I am very glad that, at last, that voice should make itself heard. I am asked why we blame supporters of the red ensign. I thought I had made myself clear, but they still do not understand.

I maintain that we have no right to take what belongs to somebody else. We may borrow it, but we cannot keep it for ourselves. It would be an insult to Great Britain to keep her merchant marine flag as we are doing now. I feel it is a mere question of justice to hand it back to her, since today we are being offered a distinctive and exclusively Canadian flag. We do not want the red ensign, but we want a symbol to represent us, something truly Canadian. It seems to me everyone should understand that.

As far as Hitler and Mussolini are concerned, I want to point out to the hon. member that he is absolutely out of order. I think the hon. member is only trying to call attention to himself. If he had only read the whole statement of the hon. member for Villeneuve (Mr. Caouette), when he spoke about Hitler and Mussolini, he would have understood but in my opinion, he will never understand. He should have read the complete text instead of taking two or three sentences out of it—because you know that you can have somebody hung for two or three words

taken out of context. I will go even further and say that in the better days of Mussolini, priests made us kneel down and pray for his victory. And today we would condemn him because he made a mistake? Mr. Speaker, if we were to condemn every person in this house who has made a mistake, there would not be a single member left.

Mr. Deputy Speaker: Order. I appreciate that the hon. member for Roberval is trying to reply to the question put to him by the hon. member for Hastings-Frontenac (Mr. Webb), but since the discussion between the two hon. gentlemen is not related to the resolution under consideration, I would suggest that he limit his remarks to the subject of the present debate.

Mr. Gauthier: Mr. Speaker, you allowed the question and I thought that I was entitled to reply. Since I have to give a complete answer, I wonder if you would permit me to finish.

Mr. Deputy Speaker: May I say to the hon. member that his reply is quite adequate in my opinion. Consequently, I would suggest that he does not pursue the discussion any further.

Mr. Gauthier: Mr. Speaker, you are a better judge than I am. I felt that my reply was incomplete but you do not think so. That is not too bad.

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I rise on a question of privilege. I certainly will not tolerate being called in any circumstance a "follower of Mussolini and Hitler", especially if it is the hon. member for Hastings-Frontenac who does the name-calling. May I say that that is usually known as a dirty blow, a punch below the belt. To my mind, there is but one way to protect oneself from such attacks and such name-calling tactics, and I advise the hon. member for Hastings-Frontenac to look up the dictionary for the meaning of the words "distinctive flag", which really mean distinctive in the first instance.

Mr. Speaker, I hope that other members do not resort to such name-calling tactics as I feel that there is not a single member of this house who deserves such treatment, not even the member who indulged in this practice.

[*Text*]

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, there are possibly two main reasons why I hope my remarks will be somewhat brief today. One is the fact that there has already been considerable debate on this issue, and many times it has become rather acrimonious. The second reason is that nothing that has been said in this house these past days will be likely to change anyone's opinion particularly. I think that possibly each and every member has studied the matter for himself or herself and arrived at the point where he or she knows what the decision will be as far as they are concerned. Therefore there may not be too much to be accomplished by lengthy debate.

Thinking back over the last few weeks it is easy to remember all of the questions which have been asked relating to the flag issue; the intention of the government with respect to the introduction of the resolution, the nature of the designs they were going to advocate, and the objective as far as its place on the agenda of the house was concerned. Therefore I think that even though the debate has possibly been of short duration as far as the formal debate is concerned, it has already occupied a considerable part of the attention of the house.

I appreciated very much the interesting remarks made by the hon. member for Queens (Mr. MacLean) this morning. I would say that I agree with him. I think the implication of his remarks was to the effect that the silence on the part of many with respect to certain trends in Canada today has given undue encouragement to extremists who do not appreciate the feelings and the convictions of Canadians from coast to coast. When hon. members rise in this house and insinuate that those who are opposing this particular resolution and the adoption of a new flag are not true Canadians and prefer to remain in a state of colonial immaturity, I think it indicates a complete lack of understanding of the basic concepts of Canadianism. The purpose of the resolution before us, no matter what may be said to the contrary, is to change our national symbol.

I was somewhat disappointed by the words the other day of the hon. member for Leeds (Mr. Matheson) when he said in concluding his remarks—I have already indicated that I have the highest regard for the hon. member and usually a great deal of respect for his judgment—that Canada has not got a national flag. Then he went on to give some quotations to substantiate that assertion. I do not believe that that is entirely so. Perhaps technically we can say that Canada does not have a flag, but in reality Canada does have a flag, and has had a flag always. And no

matter what sneering interventions are made from my left—we are getting used to those here—that is a fact. The world recognizes that fact, for we know that wherever Canadians dwell and are represented the Canadian red ensign is recognized as the Canadian flag. It flies from national buildings, from our embassies, and, as I have said, wherever there is Canadian representation. Therefore to all intents and purposes Canada has had a flag and does have a flag.

Furthermore, if Canada does not have a flag, why is it that national organizations have taught our children the significance of the red ensign or the union jack? I received a letter from a scholar the other day, and he pointed out that in the various organizations to which school children belong they have been taught the significance of this flag. Therefore, if Canada does not have a flag, why is it that our young people have been reared with the idea in mind that we do have a flag and have been taught what it stands for? I am sure that those who have accepted Canadian citizenship in this country have recognized that we have a flag. It has been used at ceremonies and has been recognized and acknowledged as the Canadian flag.

I say again that this resolution is not to adopt a distinctive flag but to change our national flag. The question is asked: Where do Canadians stand on this question? We know where some stand. There are others who believe that we have to get rid of what to them are the objectionable features which they see as symbols of colonialism.

Mr. Langlois: Agreed.

Mr. Patterson: I hear hon. members to my left say "Agreed". Well, we know where they stand. They are speaking for the radical, fanatical element in Canada and we know what to expect from them. Nevertheless there are those who believe, on the other hand, that we should retain at any cost the present symbols which are indicative of our rich heritage, whether it be French or English or that of any other nation.

Mr. Gauthier: United Canada loyalists.

Mr. Patterson: Keep it up. I should think your stock is dropping considerably in the province of Quebec; so keep it up.

Mr. Gauthier: And yours.

Mr. Patterson: Well, we will see after the next election, no doubt. As I was saying, where do Canadians stand on this particular issue? I do not think there has been any attempt to ascertain what is the consensus across the country. Therefore, before we move in the direction of changing our national symbol, I think there should be some understanding as to what the Canadian people as a whole want. Whatever it is, I think we have the right to know.

What is the procedure which has thus far been followed in achieving this objective of changing our national symbol? We have been referred many times to the matter of the Liberal election promises, and some have suggested that the government were elected on the basis of this particular promise. I do not think that is absolutely true. There is no doubt that this promise was included in their platform, but nevertheless I do not think they can say that they were elected on the basis of their promise to provide a distinctive national flag for Canada. As pointed out by the hon. member for Queens (Mr. MacLean), there is perhaps a difference of opinion as to what "distinctive" means. The order in council to which he refers does refer to the Canadian ensign as a distinctive national flag. Others would take it that it means something entirely different and that it does not show anything of our heritage. It does not show anything of our racial origin but is something strictly and absolutely indicative of Canada today. Therefore, that is the beginning of this particular issue, the Liberals having made this particular promise in the election campaign.

On April 17 the Prime Minister, in reply to a question which was asked of him, stated that the Liberals had promised that within two years Canada would have a distinctive national flag, and he said that the government had been in office for one year. I think anyone who is absolutely honest would have to say that the Prime Minister meant to leave the impression that there was not any undue haste to bring this particular matter before parliament. I do not think we should draw any other inference.

Then shortly after that we find there is a distinct change. I should like to refer to an editorial in one of my local papers, the Fraser Valley *Record* for May 22 last, and I will just read about two paragraphs from it:

> While, like the Royal Canadian Legion, we see no need to change Canada's flag, the red ensign with the Canadian coat of arms in the field, the objective viewpoint of a friendly observer below our border is of timely interest...
>
> "Mr. Pearson has been in no hurry to redeem his party's pledge to adopt a new flag. Caution is the word, and properly so.

A country's flag, no matter how aesthetically offensive it may be to some people, is something more than a design. It embodies, as can no other symbol, a nation's past, present and future even when, in Canada, it has never been officially adopted. It flies in the hearts of a nation."

Perhaps I should clarify that particular statement. It is a quotation from a newspaper published in Portland, Oregon. It says the Prime Minister is wise in taking his time because of the implications of this problem.

It was not too long after this that the whole situation changed. As we know, the Prime Minister introduced his resolution and the situation developed from there on. What happened to change the Prime Minister's intention so suddenly in this regard? This began as a matter which appeared to be of not too great urgency. It developed into one of urgent priority. I wonder who the right hon. gentleman's advisers were? I wonder where the pressure came from. I wonder what made him change his mind so rapidly and so abruptly.

We all remember the lengthy list of legislative items which he himself presented to us for consideration. Again, it was the Prime Minister himself who indicated his belief that these items should be disposed of as expeditiously as possible. I will not read that particular list; it is a lengthy one. Nevertheless, we found that suddenly the whole thing was reversed and an entirely new item of business appeared, one which was to take priority over practically everything else.

Anyway, the flag resolution was introduced. The Prime Minister said there was to be a free vote. What do we mean by a free vote? Everybody knows what a free vote is. It is a vote which gives every member an opportunity to present an opinion dictated by his conscience, without any serious repercussions attaching to the result of the diversion. We accepted that statement in good faith. We believed the Prime Minister meant what he said. But it seems he did not, because not too long afterwards he made it clear that though everybody, even Liberal members, could vote according to their consciences—they would not be read out of the party—the government intended to treat the matter as a question of confidence and, if it was repeated, there would be another general election. I suggest this is a complete repudiation of the principle of a free vote.

What came next? The right hon. gentleman came into the house and challenged the opposition to bring in a want of confidence motion based on the flag issue. My only comment is this: The Prime Minister for some reason reduced this issue from one which should have been maintained on a high level of debate to a political football by threatening members of this house and the people in general that they would have to face another protracted and expensive election campaign unless they agreed to the proposal he was making. The objective of this resolution may be distasteful to many but the procedures which are being followed are infuriating Canadians right across this nation.

I do not intend to make any personal attack on the Prime Minister. We have looked upon him as a diplomat and as a statesman. He has been recognized as such around the world.

Some hon. Members: Hear, hear.

Mr. Patterson: I am just going to say this—I think members opposite must be applauding what I am about to say now: I believe the image of the Prime Minister as a statesman and a diplomat will be badly besmirched because of the way in which this political issue is being handled. That is the opinion of a good many people. I believe this debate should continue for the present so that the pros and cons may be clearly set forth in this chamber. I believe every member should have the opportunity to present his views and the views of his constituents in this regard, whether they be for or against the motion. But, having said that, I believe that after there has been sufficient debate on this matter to bring out all the relevant facts there should be agreement to take no final decision but to allow time for reflection both by members of this house and by the Canadian people.

We ought to get along with the other matters the Prime Minister has mentioned. I do not think we can brag about what has been accomplished this session. We have made some progress, but I do not think we have made sufficient progress. In this connection I should like to read the first and the last paragraphs of an editorial which appeared in the *Globe and Mail* of June 29:

Rarely in Canadian history has parliament presented such an unattractive picture of itself to the people who elect it, the people who pay for it, the people whose public business it is supposed to transact.

The voters are not amused, the voters are not at all impressed, with what they see in Ottawa. It is in the knowledge of this public distaste and disillusion—

This refers to the results of a proposal the Prime Minister made.

—that the various house leaders, when they meet today, should find some method to get parliament back on the rails.

As I said, I believe there should be every opportunity given for members to present their views on this subject, both for and against. Then, in my opinion, the matter should be shelved and we should proceed to consider other items of business. Later, perhaps in the fall, the Prime Minister could give serious thought to the suggestion of a referendum. This is, of course, the subject of the amendment, but I wish to point out that it is not original in any way because my hon. friend from Cariboo (Mr. Leboe) spoke as follows on February 27, as reported in *Hansard* on page 315:

I should like to make a few remarks about this business of a national flag. We really get into deep water when we start talking about a national flag, I realize that. I think the solution lies in having a committee set up which will choose perhaps four or five designs out of the some 2,500 or 2,900 designs that have been submitted, and put these on a ballot. They should include the red ensign, and should be put to a referendum of the people, with a transferable vote so that each individual would choose the first, second, third, fourth and fifth in the order he preferred and, by the process of elimination, we will then have over 50 per cent of the people voting in favour of a particular flag. That will take all of us off the hook and put the responsibility where it belongs, on the shoulders of the people.

I suggest, Mr. Speaker, that the amendment introduced by the official opposition represents nothing new because my colleague, the hon. member for Cariboo (Mr. Leboe), suggested the same thing as early as February 27. If we are to have a new flag, Mr. Speaker, let us have one of which Canadians can be proud and not one about which the best thing that can be said is that nobody else has it.

I suggest there are scores and hundreds—I could go higher than that—there are multitudes of people in this nation who want a new flag but they do not want the one that is the choice of the Prime Minister (Mr. Pearson). They agree that we should have something else, but with regard to the one he has put forward they wonder why in the world he chose it and submitted it for the consideration of cabinet and then to the House of Commons. That applies to Liberals as well as to a lot of other people. They just do not like it.

I am going to conclude by making the plea once again that, no matter where we stand on this issue, we should have ample opportunity to present our views and arguments, that there should then be a cooling off period or time for reflection, after which we can then come back and make a decision that will be intelligent and in the interests of the unity of this great nation of which we are all proud to form a part.

Mr. Stanley Haidasz (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, at this historic time in our history I should like to take the opportunity as the elected representative of the cosmopolitan constituency of Parkdale to plead with hon. members to seize this challenge and unique opportunity to ensure the unity of Canada by showing a better understanding of our parliamentary procedures and by also demonstrating their good will to co-operate and show Canada that we here are responsible in the exercise of our duties.

Many speeches have been made in this chamber on this issue. Some of them, I am sorry to say, were not very praiseworthy. Some speakers preceding me have even demeaned the Prime Minister (Mr. Pearson) of this country or his intentions as far as the Canadian flag resolution is concerned. Let me remind these hon. members that we are proceeding in this debate according to our parliamentary rules, that the Canadian flag resolution of the government was put on the order paper on May 28 and that members of parliament have had time to read, study and reflect upon the resolution since May 28. It was not debated immediately. It was only on June 15 that the Prime Minister introduced the resolution with his historic speech and since June 15 we have had ample time to express our opinions on the government's resolution concerning a distinctive Canadian flag.

It is the Prime Minister, I am happy to say, who has proven his Canadian patriotism and his courage by his decisions and by the speeches he has made in this chamber and throughout our country in order to strengthen Canadian confederation and therefore our national unity. Since the Prime Minister's historic address in the House of Commons on December 17, 1962, when he declared that confederation was our declaration of faith in the destiny of a united Canada, he has rallied Canadians to the cause of renewing our efforts and rededicating ourselves to our greatest national cause, our national purpose, a strong and united Canada.

This government's enviable record of important bills and other proposed legislation now on the order paper demonstrates the sincerity and determination of the Prime Minister's goal which he described on April 23, 1963, to the Canadian nation in his first television address after taking office, that

although our task in the second session of Canada's twenty sixth parliament is indeed complex, "it is time to excite the daring, to test the strong and to give new promise to the timid". He went on to say:

It will indeed be a time of direction and of decision, when our efforts are sustained, our purpose clear, and our faith high.

The Canadian government's decision in the flag resolution we are now debating is exciting, it is daring and it is testing many timid people. The beautiful design proposed by the government, consisting of three red maple leaves joined on one stem across a white background with blue vertical borders, has its historic and heraldic significance. I regret to say that many members of this chamber refuse to understand that there are elements of history and elements of heraldic significance in the design proposed by the Canadian government.

The historic element in this flag dates back to May 26, 1868, when Queen Victoria issued a royal warrant establishing the great seal of Canada and the arms of the provinces of Ontario and Quebec. This seal, a sprig of three maple leaves, appeared twice. For Ontario the emblem granted was three gold maple leaves on a green background and for Quebec the emblem was three green maple leaves on a gold background. Later, Mr. Speaker, King George V also gave Canada other emblems and symbols of which we are proud.

I am certain that the proposed design, Mr. Speaker, has the support of the majority of Canadians. This majority is reflected also by majority support for this resolution as members of the House of Commons take their stand one after the other.

Many of my constituents have expressed their support of this distinctive Canadian flag. Every day young Canadians are enthusiastically expressing their acceptance and admiration of the maple leaf flag. Canadians of all backgrounds and origins have voiced their support for the new flag.

For the information of many hon. members who have requested it, and especially for the hon. member for Marquette (Mr. Mandziuk), may I say first of all that if they would take the trouble to read the reports of the ethnic press in Canada they would learn that the Estonian newspaper *Meie Elu* indicates that Estonians want to see Canada as a completely sovereign country with her own symbols, a flag and an anthem. The German weekly *Der Courier* states that it is hoped there will be a majority who will accept the government's design. The Ukrainian weekly, *New Pathway*, stated that Canada should have her own distinctive flag, and the design is certainly the right one. The *Ukrainian Voice* states that no damage would be done if the new flag were not adopted at present.

Beside this evidence from the ethnic press throughout Canada, there are also ethnic organizations which have expressed their support for the Canadian flag as proposed by this government. Last year a delegation of the young slavic alliance came to a hearing of the royal commission on biculturalism and bilingualism. They also voiced their support for the new, distinctive Canadian flag. The national executive of the Canadian Polish congress representing over 400,000 Canadians of Polish origin in this country came out strongly in a letter to the Prime Minister (Mr. Pearson) in favour of a distinctive Canadian flag.

This overwhelming evidence, Mr. Speaker, for a new Canadian flag proved also that a plebiscite on this matter is needless. As was so ably argued and proven by so many members in this house, a referendum or plebiscite is not in keeping with our British parliamentary system. A plebiscite on the subject would not serve national unity. We members of parliament were sent here to make decisions, to legislate and to carry out the mandate of the Canadian electorate. Canada must have her own and distinctive flag because Canadians want to rally round a symbol to pursue their national purpose across this country. I am sure we all want a flag that can qualify as a truly national flag. The maple leaf design of the Canadian government is a truly national flag, representing our historic past, representing our exciting present. I am sure it will also represent the glorious future of Canada.

In accepting a new Canadian flag, Mr. Speaker, we will accept also the union jack as proof of our loyalty to the monarch of Canada and our very close association with the British commonwealth of nations. We respect the union jack and we respect also the red ensign. We will respect a new, distinctive Canadian flag. I am sure that as responsible members of parliament we will respect the maple leaf flag if it is approved by parliament and that we shall do so, not only for ourselves, but for our beloved children and for Canada, our home and native land.

Mr. Grégoire: May I ask a question of the hon. member? I have heard him mention

"Canadian unity". Some Conservative members have used these words "Canadian unity". May I know what the hon. member's definition is of this word "unity"?

Mr. Haidasz: In response to the hon. member who asked this question I may say that, to me, unity means one national purpose designed to achieve the best life for all of us in Canada. Unity also means harmonious relationships between all the people in Canada, harmonious relationships between all the provincial governments in Canada. Unity, Mr. Speaker, also means unity of action in order that we may play a proud role in the international field.

Mr. Grégoire: Then, I conclude, that for the hon. member unity means only unity of purpose and not of races or groups?

An hon. Member: Why don't you make your own speech?

Mr. A. D. Hales (Wellington South): Mr. Speaker, in rising to take part in this important debate I believe history is being made today in this honourable chamber. I cannot say that I agree altogether with the remarks of the hon. member for Parkdale (Mr. Haidasz) when he stated that it was an exciting debate. Indeed this morning when asked by the hon. member for Winnipeg North Centre (Mr. Knowles) about the resolution on the flag, the Prime Minister (Mr. Pearson) referred to it as a simple resolution. Far from being a simple resolution, I am sure it is a resolution that requires the utmost soul-searching for every member in this house.

Little did I realize that the day would come when I would have to rise in my place in this chamber and defend the Canadian red ensign as Canada's national flag. I have long looked upon it as Canada's national flag, just as thousands of other Canadians have. Here we have before us a resolution asking parliament to replace it with another flag. The day before yesterday, Mr. Speaker, many members of this house as well as thousands of Canadians had an opportunity of witnessing a display of pageantry on the lawn in front of the parliament buildings. This was as fine a display as has ever been held on the hill. This program was relayed to millions of Canadians by means of television so that they, too, would be able to fill their hearts with pride. The 66 Canadian red ensigns fluttering in the breeze made a most impressive appearance. I am likewise sure that my good friends from Quebec must have had their hearts filled with pride by this program.

Two days ago we celebrated Canada's 97th birthday. Birthdays are times when we look back over the past years. They give us a chance to realize those things which we in this country have done or have left undone. July 3 is a day on which Canadians like to fly the flag. I should like to quote from an editorial that appeared in the *Telegram* of June 30:

> Tomorrow—July 1—is a day for flags. It is Dominion day. It is a day when we honour the men who explored our challenging country, who cleared the land, who tapped its mineral riches and who fought with words and swords to keep it independent.
>
> These ancestors deserve honour, as do the men of today who are striving to make Canada a happy place for people who come from less favoured lands.
>
> Tomorrow is a day on which the Canadian ensign should be flown proudly and bravely. It is a good flag; it has served the nation well and the people of Canada have served it well.

The next paragraph is out of context, but I shall read it as it is:

> On the eve of Dominion day the Prime Minister has shown signs he will not press in parliament for the rejection of our national emblem—at least not before the summer recess. It is a wise decision.

I checked on this article with the editor of the Toronto *Telegram* and he said, "Yes, it is wrong. That paragraph is out of place now, but it was written by an editor who contacted the Prime Minister on his way from a cabinet meeting on Tuesday morning, the day before July 1, and he was given to believe that this resolution would not be put before the house before the summer recess."

Mr. Grégoire: On a point of order, Mr. Speaker, I think we are supposed to be discussing the amendment concerning a referendum on the flag issue, but since this morning every speaker in the house has spoken about everything else but the referendum. I think the Chair should now make a ruling stipulating that the subject of debate is on the question of whether we should have a referendum or plebiscite, or not.

Mr. Winch: Your colleague was the worst offender in the house.

The Acting Speaker (Mr. Batten): Order. The Chair has already ruled on this question three or four days ago, and members will be permitted to speak on the main motion as well as on the amendment.

Mr. Grégoire: Mr. Speaker, I appeal your decision.

The Acting Speaker (Mr. Batten): Order. I think the hon. member has no right to appeal

a decision which was made three or four days ago.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I think that under the rules we are allowed to appeal a ruling when we feel that it was improperly made. That is precisely what we are witnessing today; the discussion is on everything but what we should be discussing.

Therefore, we appeal your ruling; in my opinion, the matter to be discussed is that of a plebiscite or referendum, nothing else. I appeal your ruling on that matter.

[*Text*]

The Acting Speaker (Mr. Batten): Order. I should point out to the hon. member for Lapointe (Mr. Grégoire) that the Chair at the moment is not making any ruling but only reciting a ruling made three or four days ago. If there was any objection then on the part of the hon. member to that ruling, the objection should have been taken at that time. I feel the hon. member is not quite in order in appealing a rule which is now some days old.

[*Translation*]

Mr. Grégoire: I appeal the ruling. Mr. Speaker, I appeal that ruling.

[*Text*]

The Acting Speaker (Mr. Batten): What decision is the hon. member for Lapointe appealing?

[*Translation*]

Mr. Grégoire: With regard to the ruling made three or four days ago and to the one you made today, namely that we can discuss any subject, I understand that the rules are strict but that as long as nobody appealed that decision, there was no problem. Today we appeal that ruling because the rules have been broken, since they require that we discuss the amendment and nothing else. The rules require that we talk about the subject matter indicated in the amendment, namely a referendum or a plebiscite. Since members talk about all kinds of subjects, are allowed to go from one subject to another, which is against the rules, I appeal your ruling.

[*Text*]

The Acting Speaker (Mr. Batten): I should point out to the hon. member for Lapointe that the greatest authority for rules in this chamber is the rules which are made by this chamber itself. A few days ago when this question was brought up there was a ruling from the Chair, a ruling to which the house gave its consent and agreement, a ruling that in the debate on the amendment a debate would be considered also on the main motion.

The Chair, at the moment, is not making a ruling. The Chair at the moment is only reciting a ruling made a few days ago, to which the house at that time agreed. I would again suggest to the hon. member that at this particular time he could not appeal a ruling which has not been made at this time. The Chair at this moment is making no ruling but is reciting a ruling which the house accepted a few days ago. I do feel that the hon. member is quite out of order.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I appeal against two things. First of all, I appeal against the ruling made by the Chair four or five days ago, as you said. But, at that time, the house was unable to express its views, because it was not called upon to vote on the matter. Second, I appeal against your ruling to prevent me from appealing today.

I think, therefore, that the house should be asked to come to a decision on the matter, namely whether all kinds of subjects will be dealt with so that this debate will drag on interminably, or whether it will be restricted to the subject of the amendment. I call for a vote on this question. I want the house to come to a decision on the matter, because otherwise the debate will last indefinitely, perhaps two months.

[*Text*]

The Acting Speaker (Mr. Batten): I should point out again to the hon. member for Lapointe that he is now asking the house to declare itself on a ruling that has already been declared upon.

Mr. Grégoire: No.

The Acting Speaker (Mr. Batten): When the ruling was made by the Speaker a few days ago no objection was taken to it by the house, and since no objection was taken to it I would consider that there had been concurrence and that the house had agreed that the debate which is now taking place would consist of any references which might necessarily be made to the main motion and also to the amendment itself.

That ruling was made a few days ago, and I feel the hon. member has no right today to appeal a decision made by the Speaker and accepted by the house a few days ago.

[*Translation*]

Mr. Grégoire: Mr. Speaker, we do not accept the ruling made three or four days ago,

and in the light of what is happening today, we find that everybody is talking about everything and that is why, as standing orders permit such an appeal, we are appealing against the ruling, which you are in the process of making, and even if that ruling is to the effect that there can be no appeal.

[*Text*]

Mr. Byrne: Mr. Speaker, I submit that there is no matter for decision at this time except for you to rule that the hon. member has no point of order. There is no point of order at this time and therefore there can be no appeal.

Mr. Grégoire: Does Your Honour rule that I have no point of order?

The Acting Speaker (Mr. Batten): I am stating to the hon. member for Lapointe that it is not for me to make a ruling on a matter which the house has already accepted. A few days ago the house accepted that the debate which is now taking place would consist of references to the main motion as well as to the amendment. That decision having been taken by the house I therefore declare the hon. member for Lapointe out of order, and I recognize the hon. member for Wellington South.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I appeal against Your Honour's ruling, namely that my objection is out of order.

[*Text*]

Mr. Hales: Thank you, Mr. Speaker, for your ruling. I would simply like—

[*Translation*]

Mr. Grégoire: On a point of order, Mr. Speaker. You stated that my objection was out of order. I appeal your ruling on that point, because I maintain that my request was in order, since the previous speaker has not talked about the question relevant to this debate. Therefore I appeal your decision.

[*Text*]

The Acting Speaker (Mr. Batten): Order. I must point out to the hon. member for Lapointe again that he cannot appeal a ruling which has not been made. I have made no ruling at this particular time. All I have done is quote to him the decision of the house of a few days ago, and since I am making no new ruling therefore there is nothing for the hon. member to appeal.

Mr. Grégoire: Mr. Speaker, you have just ruled me out of order and I maintain that I am in order in asking you to restrain hon. members to the specific subject, and on that point I appeal your decision. I think you made a ruling a few moments ago and I appeal your decision.

Mr. Hales: Mr. Speaker, I appreciate your ruling, and I would like to say—

[*Translation*]

Mr. Grégoire: On a point of order, Mr. Speaker. There is an appeal against your ruling. I do not think another member is entitled to take the floor on the question we were dealing with previously, as long as that problem has not been dealt with by the house. That is why I ask for a vote on this.

[*Text*]

Mr. Knowles: On the point of order that the hon. member for Lapointe is raising, is it not a fact that the very point he is trying to raise has already been raised during the course of this same debate with respect to this very same amendment. Was a ruling not made some days ago—maybe some weeks ago—based on citation 201 of Beauchesne's fourth edition, that when an amendment has been moved the debate is not restricted to the amendment, but includes the motives of the amendment and of the main motion? If any appeal was to be made, that appeal should have been made three or four days, or two or three weeks ago, when that ruling was given. No appeal was made at that time, and it seems to me we are still operating under the ruling given by the Chair when this matter was raised some time ago.

Mr. Hales: If I may proceed, Mr. Speaker—

[*Translation*]

Mr. Grégoire: On a point of order, Mr. Speaker. I feel the point brought up by the hon. member for Winnipeg North Centre (Mr. Knowles) is very well taken. However, circumstances having changed, a member has the right to ask the Speaker for a new ruling.

Circumstances have changed in this way: first, the debate has been interrupted since that time; second, a new atmosphere prevails in this house. Although there is a standing order which says that you cannot make repetitions of the same subjects during the same debate, many repetitions have been made during this one.

Considering the change in the atmosphere, new attitude, the repetitions and interruptions, I rise again to ask for a ruling which would compel hon. members to restrict their

remarks to the subject under consideration, that is the amendment of the Leader of the Opposition calling for a referendum.

Now, you have ruled that my point of order is ill-founded. Consequently, I appeal from your ruling and request that the matter be put to a vote. You cannot prevent us from asking for such a vote because, if you do, you will be denying us the right to express our opinion on that issue.

[*Text*]

The Acting Speaker (Mr. Batten): Order. I must again point out to the hon. member that the soundest rules and regulations which this house can follow are the rules and regulations made by the house itself. Earlier in this debate it was decided by the house—

Mr. Grégoire: By the Chair.

The Acting Speaker (Mr. Batten): —it was decided by the Chair, and accepted by the house, that the debate would include comments on the main motion as well as comments on the amendment. This was accepted by the house at the time. No objection was raised.

Mr. Grégoire: We raise objection now.

The Acting Speaker (Mr. Batten): I take the view that the objection now raised by the hon. member is out of order. I declare that the hon. member is out of order, and I recognize the hon. member for Wellington South (Mr. Hales).

Mr. Grégoire: You have made a ruling now, Mr. Speaker, and I appeal the ruling you have just made.

Mr. Baldwin: There is no appeal.

Mr. Olson: Mr. Speaker, on the point of order, or the alleged point of order the hon. member for Lapointe is trying to raise, first of all citation 201 of Beauchesne, as the hon. member for Winnipeg North Centre has pointed out, is very clear. I think it was on the basis of this citation that the Speaker made a ruling a few days ago, and the house concurred in or agreed with the ruling that was made. This citation says, very simply, in the last part:

> In that case the debate that follows—

This is after an amendment has been moved:

> —is not restricted to the amendment, but includes the motives of the amendment and of the motion, both matters being under the consideration of the house as alternative propositions.

In addition to that, even confining one's remarks to the rule of relevancy in speaking to the amendment that has been moved, which asks that there be a referendum or a plebiscite to determine the question upon which the motion before us is based, surely the hon. member has the right to present arguments over the whole field of whether or not it is desirable to have a referendum on the flag issue. I have not heard the hon. member say anything that would not lead me to believe he was presenting an argument on the flag issue and that perhaps it ought to be referred to the Canadian people. Therefore the hon. member for Lapointe is not only out of order in trying to appeal a decision that was made several days ago by the Speaker of this house, but in addition to that he is out of order in questioning the relevancy of the remarks that have been made by the hon. member who had the floor.

Mr. Winkler: That is not unusual.

Mr. Baldwin: Mr. Speaker, I want to deal directly with the appeal the hon. member for Lapointe has attempted to make. Having been properly instructed that there can be no appeal from a decision made by the Chair, a decision which the house has in fact accepted—because when there is no appeal the decision of the Chair becomes the decision of the house and has been acted upon by the house, and the speeches of hon. members since that time have ranged far and wide over the whole resolution and this has become an order of the house—the hon. member now attempts, as I understand it, by a subterfuge to do indirectly what he is prohibited from doing directly. There was an order of the Chair some time ago in this connection and, Your Honour having ruled that the hon. member is out of order in raising objection to that ruling, the hon. member now says Your Honour has created a peg upon which he can hang a further appeal.

My position, very simply, in this regard is that the hon. member is just attempting to do indirectly what he cannot do directly; he is attempting to obtain an opinion from the house by dividing the house on the main issue, because in effect it goes back to the root of the question as to whether or not the decision made by the Chair initially was the right decision. I submit that his last point of order, which Your Honour held was not a point of order, is no more appealable than is the original decision of the Chair given several days ago.

Mr. Rapp: And he has no right to speak.

Mr. Grégoire: Then, Mr. Speaker, I rise on a point of order regarding standing order

34, paragraph 2, which reads as follows, in French:

[*Translation*]

(2) Mr. Speaker or the chairman, after having called the attention of the house, or of the committee, to the conduct of a member who persists in irrelevance, or repetition, may direct him to discontinue his speech.

Now, Mr. Speaker, I maintain that the hon. member who had the floor keeps on repeating things that have already been said. Therefore I ask that you enjoin him to stop talking.

[*Text*]

Mr. Langlois: Mr. Speaker, if I may add my comments to this point of order; at page 107 of Beauchesne, with reference to standing order 34, it is said:

Any member addressing the house, if called to order either by Mr. Speaker or on a point raised by another member, shall sit down while the point is being stated, after which he may explain. Mr. Speaker may permit debate on the point of order before giving his decision, but such debate must be strictly relevant to the point of order taken.

I think that is the point the hon. member for Lapointe is raising at the moment; he is giving his specific argument on the point of order.

Mr. Nasserden: Mr. Speaker, on the point of order, I believe the question raised by the hon. member for Lapointe is out of order for two reasons: First, if what he has proposed were followed, it would provide an inequity among members of the house, because a different rule would apply to those who have already spoken and those who have still to speak in this debate. The final remarks the hon. member made a few minutes ago amount to closure. I refer to the hon. member's words to the effect that a member should be instructed to take his seat and desist from debate.

Mr. Churchill: Mr. Speaker, with regard to standing order 34, paragraph 2, to which the hon. member for Lapointe drew the attention of the house, I would say this. The hon. member speaks about irrelevance, which point has already been dealt with by the earlier ruling. With regard to the word "repetition", the experience I have had here indicates that this applies when a member is repeating himself. On that basis—

Mr. Grégoire: No, it is not that.

Mr. Churchill: —it would be repetition were he to repeat his own argument over and over again.

Mr. Grégoire: No.

[Mr. Grégoire.]

Mr. Churchill: Then a decision might be reached in that regard. I do not think the hon. member for Lapointe is on very sound grounds for his argument this afternoon, and I trust that the argument he puts forward will be rejected.

The Acting Speaker (Mr. Batten): The hon. member for Wellington South (Mr. Hales).

Mr. Grégoire: Mr. Speaker, may we have your ruling on standing order 34?

The Acting Speaker (Mr. Batten): I should point out again to the hon. member for Lapointe (Mr. Grégoire) that the decision of the house given a few days ago was that the debate on the flag resolution would include comments on the main motion as well as any comments which may be made on the amendment itself. At that time a ruling was made by the Chair and the house concurred. At the moment the Chair is not making any ruling but is reciting the ruling made a few days ago at a time when there was no objection taken.

I take the view that there is no ruling being made now and therefore there is no ruling to appeal. If the hon. member for Lapointe disagrees with the ruling which was made a few days ago, that was the time he should have made his appeal; but I feel he is now out of order in appealing the decision which was made a number of days ago. I still feel the hon. member is out of order and I would suggest to him that perhaps this argument has gone far enough and that we might well recognize the hon. member for Wellington South.

Mr. Hales: Mr. Speaker, thank you for the clarification and I can assure you that my remarks will be kept within the bounds of the main motion and the amendment, as decided by the Chair and by this house a few days ago. I would simply like to say that the hon. member for Lapointe (Mr. Grégoire) is the last one in this house who should start raising points about wandering beyond the resolution or the subject under debate, repetition and so on, because we all know whereof he stands in this connection.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I rise on a question of privilege.

After the disagreeable remarks of the hon. member for I do not know what riding, I must say that his repetitions will get us nowhere, while mine may lead to something or to an

understanding of certain problems which exist and which have not been understood so far.

[*Text*]

Mr. Hales: Well, Mr. Speaker, those remarks do not concern me because I am the member for Wellington South.

I should like to refer to an editorial in the Toronto *Telegram,* a paragraph which says this:

> On the eve of Dominion day our Prime Minister has shown signs that he will not press in parliament for the rejection of our national emblem—at least not before the summer recess.
>
> It is a wise decision.

That was written by an editor who had been speaking with the Prime Minister, I understand, on the way from a cabinet meeting on Tuesday morning, June 30. That same night shortly after 8 p.m. the Prime Minister rose in his place and said this, as reported at page 4907 of *Hansard*:

> In any event, when the matters I have mentioned are dealt with, we shall return to the flag resolutions and the debate on those resolutions would be continued until a decision is reached on them.

So, Mr. Speaker, in the interval between that Tuesday morning and that same evening the Prime Minister reverses his decision, to the point where editorial writers cannot keep up with his change of mind.

As I was saying before, the past year has been a year in which members of this house and the fortunate citizens of this country of Canada have wondered whether this country could find the unity to endure, or would it fall into separate parts only to be gobbled up by the great republic to the south? We have spent a year searching our national soul, and it is time to cement our ties with confederation. Amputation is not the answer; the several parts could certainly not survive. It is time to search for answers which will keep the family together, however quarrelsome—all families quarrel at some time or other. But instead of promoting national unity the Prime Minister continues to press the issue for a distinctive Canadian flag.

Mackenzie King in his wisdom knew better than to promote the idea of a distinctive Canadian flag. He did, however, proclaim the Canadian red ensign as the official flag to be flown from all federal buildings either within or without Canada. Our soldiers fought under it and died under it; and at the risk of it being said that I am repetitious I should like to refer to the words of the distinguished commander, General Crerar, of the first Canadian army when he returned to Ottawa at the close of the second world war and was graciously honoured by then prime minister Mackenzie King. When riding with Mackenzie King on the western driveway from the main entrance of these buildings, the following is reported to have occurred: "Pointing to the red ensign on the flagpole of this building Mackenzie King turned to him and said: 'And that, general, is another problem which your Canadian army has solved for Canada—the matter of our national flag' ".

Generally speaking, Canadians have appeared to be very happy to go along with the Canadian red ensign. But no, the Prime Minister, for political expediency and to fulfil a political promise, has pressed the issue of a national flag. I ask, Mr. Speaker, who is it who has pressed for this new flag? The people in my riding seem to be quite content with the red ensign, and I should like to put on record a few quotations which would substantiate just what I have said. The members of the council of the county of Wellington passed a resolution. I have received a letter which reads as follows:

> At their recent session, the council of the corporation of the county of Wellington passed a resolution recommending the adoption of the Canadian red ensign as the national flag of the Dominion of Canada.

This resolution was circulated to all the county councils in Ontario and I am told that over 50 per cent of them endorsed the resolution and showed their approval.

I think it might be worth while putting on record one or two observations made by constituents of mine, residents of the city of Guelph. An inquiring reporter of the Guelph *Mercury* took a tour of the main streets of the city and asked several people what they thought of the new flag, its design and its colours, and I should like to read a few of the replies. I will not mention the constituents by name although their names are given in this report. The first one said:

> "War ravished countries would put something like this out when they are trying to save paint"... She felt the new flag was very conservative and that because the English element is our strongpoint, the British flag should be kept flying.

Another said:

> "If Canada should have a new flag...it should at least have a definite Canadian identification and not maple leaves. Maple trees grow, among other places, both in Missouri and Yugoslavia. Moreover, why should the leaves be red? And they are of poor design".

A local medical doctor replied that he definitely did not like the new flag. The report continues:

He said from a heraldic angle it is incorrect. The blue bars should be horizontal and not vertical. He said that the unity that Canadians look for will not be achieved by producing a flag of this type.

"Ethnic groups coming to Canada were happy to accept Canada as they found her. There was no arrangement whereby they understood the flag would be changed. This act of expediency will not, in my opinion, lead to greater unity. If, at a later date, Quebec becomes independent, Canada will have gained nothing from this act, but will be left with a flag depicting three wilting maple leaves and a white surrender background."

As a Canadian citizen he acknowledged the need for a new flag but thought the decision had materialized too rapidly to take into consideration the feelings of the people.

I could read many more, but I think that will be enough. They are opinions from an average city in the province of Ontario where one third of the population of Canada resides. The Prime Minister claims he has pressed the issue of a new flag at this time in order to promote national unity. To me this seems nothing more than a big joke. He has succeeded only in creating disunity.

Here is another clipping. It is taken from the Guelph *Mercury* of June 8 and the heading reads: "Get Yer Program Here!" This is how it reads:

The great flag flap at a glance:

a. Press says P.M. has decided on flag with three red maple leaves on white, with blue bars at either side.

b. Government hasn't decided on any design: P.M.

a. There'll be a free vote, with party wraps off: P.M.

b. If "free" vote is against design, government will quit: P.M.

a. Flag to have three red maple leaves on white, with blue bands, P.M. announces.

b. Will also keep union jack.

a. Government to stand or fall on flag vote.

b. Government doesn't want election; P.C. filibuster could bring it on.

a. The flag debate has priority.

b. Other business comes first.

That describes the type of muddle in which we find ourselves at the present time. I cannot help accusing this government and the Prime Minister of partisan propaganda of the worst sort. He is attempting to use his power and the prestige of his office as Prime Minister to supplant an authorized national flag with a design which has neither the full support of his own party nor of the House of Commons and the people of Canada as a whole. By his arbitrary action, Mr. Speaker, I submit that the Prime Minister of this country is setting faction against faction, party against party and, I am fearful, region against region. This is the unhappy state to which the Prime Minister has reduced us and the people of Canada.

There has never been a prime minister since confederation who has caused so much strife, bitterness, disunity and confusion. I for one, and I am sure every member of this house must share this view and resent the Prime Minister's tactics in holding a club over the heads of members by saying: "No holiday or recess until you have passed my flag resolution; accept my new flag design or there will be an election". The right hon. gentleman must know that the people of Canada do not want an election at this time after two elections in a little more than three years. No one wants an election at this particular time. But this is the situation which confronts us. In these circumstances he proceeds to ram this new flag down the throats of Canadians. I should like to read in this connection an article which appeared in the Guelph *Mercury*. It says, referring to the Prime Minister:

He seems bent on bulldozing a new flag through the Commons in a frame of truculence worthy of C.D. Howe during the pipe line debate in 1956. Mr. Diefenbaker is not just playing politics when he warns that the flag question may add to national disunity rather than exert the unifying force Mr. Pearson told the Canadian Legion it would bring.

This is the way in which this once great diplomat and statesman has handled such a delicate question. Is this the way democracy should function? The dictatorial manner of handling this flag issue will long be remembered by the people of Canada. The Liberal government muzzled this parliament at the time of the pipe line debate but I can assure you, Mr. Speaker, that the people of Canada are not going to be muzzled on this flag issue. The Prime Minister even took it into his own hands to fly his flag out on the front lawn on parliament hill. Four weeks ago, to the day, I rose in my place to propose a course of action under standing order No. 26. To adjourn this house so as to consider a matter of urgent national importance—not to debate the flag issue, because that was to be debated the following Monday, but to debate a question of principle, namely whether the No. 1 Canadian citizen, the Prime Minister of this country, should ignore, circumvent and sidestep a piece of legislation, a law, an order in council which was passed on September 5, 1945 and which definitely states that no flag should be flown from

government property or on occasions or places until such time as the house should approve a new flag.

What did the Prime Minister do? Not only did he fly the flag between five o'clock and eight o'clock but at the request of some hon. members on my left he flew it from one o'clock to two o'clock in order that they might see it before catching the four o'clock train home. Why did the Prime Minister take the unprecedented action of flying his design in this way on parliament hill before the flag design had received approval from this house or from the Senate, let alone from the people of Canada? In my view his action in this regard was both arrogant and unlawful.

What about the clever manoeuver of printing a postage stamp with a replica of the new flag design on it weeks before that flag was introduced into this house? It was a clever manoeuver on the part of the government; a means by which this emblem was circulated throughout Canada. They flew a kite, and what a kite it was. What about the press party at 24 Sussex street where flag designs were shown to those present before they were shown to members of this house? Is this the way to select a flag to present to the people of Canada? I should like to read in this connection from the Toronto *Star* of May 20:

> As the drinks were served and the newspapermen nibbled on sandwiches, Mr. Pearson brought out several flag designs on cardboards, selected one with a cluster of three maple leaves and two blue bands and placed it on the mantelpiece as his choice. He said he was prepared to have the government stand or fall on the maple leaf flag. The Prime Minister was careful however to make clear that the flag on the mantel was his personal choice.

Is this the way to introduce a new flag into Canada? We are being asked to vote for the Pearson flag, a Liberal flag, a political design? Yes, political, because it was used in the last two by-elections as part of the Liberal propaganda. This is no way to introduce a new flag. How much more sensible and more democratic it would have been to have set up a non-partisan committee of this house charged with the responsibility of submitting to parliament a design for a new national flag, not one introduced by a political party but one chosen by parliament.

What do we have? We have a flag which appears to have been proposed by the government in the same light hearted manner as the original Canadian pension plan was conceived, in the absence of careful thought or the expert advice which is available to any government. Yes, if ever a serious matter was badly handled, this is it. It is thrust upon us. We are being put under pressure. We are told to accept it or else. We are pushed back into the corner with our hands tied behind our backs and unable to fight. I ask hon. members, is this the fair and democratic way? We are being railroaded into acceptance solely for the purpose of political aggrandizement.

What is the best way out of this Pearson muddle? That is the question we have to ask ourselves. What is the best way out of this muddle? I wish the Prime Minister were in his seat so that I could speak to him as person to person. I beg him, in the name of all that is good, for the sake of unity and to save this country from being split right down the middle, to withdraw this resolution and let the house proceed with important legislation. If he does not wish to do this, then I ask him and his supporters to follow the suggestion outlined in the amendment to the motion. I do not think it would do any harm to read the amendment once again. It is in these words:

> As the proposal to change Canada's national flag will affect the unity and destiny of Canada now and for years to come, the government be authorized to take such steps as may be necessary to conduct a plebiscite prior to any other action being taken by the House of Commons, in order that all Canadians may be given their rightful opportunity to declare their choice concerning a national flag.

That is the amendment before the house. I realize that there are arguments for and against holding a plebiscite. The other day the hon. member for Qu'Appelle (Mr. Hamilton) gave some excellent reasons in favour of a plebiscite. He has done a lot of research on this matter and he presented good reasons why a plebiscite should be held in the case of an emotional issue of this nature. Plebiscites are often held at the municipal level in many communities when emotional issues are involved. The people of these communities appreciate the right to express their opinions through a plebiscite. I am quite sure they do not claim that the elected members of these municipal councils are derelict in their duty when they decide to hold a plebiscite. There are many examples of plebiscites on the municipal level.

I realize that as elected members of the house we are expected to vote not only as members for the ridings we represent but as members representing the whole of Canada.

Some hon. Members: Hear, hear.

Mr. Hales: We all seem to be in agreement on this. The point is that we are here to vote as representatives of our own ridings and also as representatives of the whole of Canada. So far as the issue of a new flag is concerned and the viewpoint of my riding, I am prepared to vote against the new flag and support the Canadian red ensign. My decision was reached by consultation with many constituents. Out of every 100 letters I have received, 90 were in favour of retaining the red ensign and 10 in favour of a new flag but not necessarily the flag submitted by the government. The newspaper poll in my riding showed 66 per cent in favour of the Canadian red ensign. My other reasons, of course, involve my own personal choice or decision on the matter.

I think it should be of interest to the house to realize what the outcome was of a poll taken by 29 newspapers across Canada. Only two newspapers recorded a majority in support of a new distinctive flag. As of June 5 last these were the results. On the prairies 6 newspapers took part, gathering 9,968 votes, with 65 per cent supporting the red ensign. In Ontario and Quebec 14 newspapers participated, with a total of 53,424 votes recorded, 52 per cent being in favour of the red ensign. In the maritimes 5 newspapers took part with 1,466 votes being cast and 69.09 per cent being in favour of the red ensign. That was the picture across Canada on June 5.

Yesterday the hon. member for Northumberland (Miss Jewett) spoke in this debate and she brought up the question of voting according to the wishes of the constituency she represents. She gave us the impression that she had spoken to a good many people in her riding and that the maple leaf flag appeared to be the choice there. I did not believe that could be the case in that riding. I thought it rather strange and I made it my business to find out from the riding.

The Cobourg *Sentinel-Star*, the largest newspaper in Northumberland county, conducted a poll of its readers and published the results on May 27. The poll showed 24 in favour of the Canadian red ensign, 6 opposed to the red ensign and 5 undecided. In the opinion of Mr. Foster Russell, the publisher and editor of this journal, public opinion in Northumberland county is 65 to 70 per cent in favour of the red ensign. Yet the hon. lady said she felt the people there were in favour of the maple leaf flag. I think this is one of the greatest arguments there can be that a referendum or plebiscite should be held in view of such a divergence of opinion. I was surprised when she said in her speech yesterday, as found on page 4949 of *Hansard*:

> —I think we, as members of parliament, should look at this whole question regardless of our personal feelings in the matter, regardless even of what we think the majority of our constituents want.

I cannot imagine a member of parliament rising in his place and not voting the way the majority of his constituents want him to vote. I could perhaps understand the point if the design had been submitted by a committee but I think a different light is thrown on the matter altogether when the design has been approved and submitted by a political party. However, I give the hon. lady credit for rising in her place and speaking in this debate. I should like to hear from other members across the way. Could we not hear from the hon. member for Durham (Mr. Honey), the hon. member for Brantford (Mr. Brown), the hon. member for Renfrew South (Mr. Greene)? I see he is with us today. I know he has many other irons in the fire these days but maybe he will find the time to speak in the flag debate. What about the hon. member for Carleton (Mr. Francis)? I see him in his place. We are both members of the public accounts committee and are good friends, I should like to hear him speak in the flag debate. Then there is the member for my neighbouring riding of Wentworth and my other neighbour, the hon. member for Halton (Mr. Harley). What about the hon. member for Hastings South (Mr. Temple)? I should like these gentlemen to rise and speak in this debate.

Have we heard from any of the front bench members on the other side? Have any of the cabinet ministers spoken in this debate? Why have they not risen in their places and given us their views? They should tell us now why they want this resolution and why they are supporting it. Let them rise in their places. I should like the Minister of Finance (Mr. Gordon), the Minister of National Defence (Mr. Hellyer), the Minister of Northern Affairs and National Resources (Mr. Laing) and the Postmaster General (Mr. Nicholson) to rise and tell us their views. We should like to hear from them.

I would say, Mr. Speaker, that there are rumours going around Canada, rumours that do not do any good whatever. They are rumours that should be hushed. We hear rumours to the effect the flag is being pushed

as a result of pressure from Quebec. These are things we hear. Is it to win votes in Quebec? We want to get answers to these questions. This loose talk is very harmful to Canada. It would be much better if these men would rise in their places now and set these rumours at rest.

However, I give the hon. lady full credit for rising in her place and speaking on this subject. I am at a loss to know why she would not be in favour of a plebiscite in view of the great conflict of opinion in her own riding. I dare say if some of these other members spoke and voted according to the opinion of their constituents they would have to vote, not with their party but with us.

Mr. Roxburgh: May I ask the hon. member a question?

Mr. Hales: Yes.

Mr. Roxburgh: What about the hon. member for Three Rivers (Mr. Balcer), the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), and some of these people?

Mr. Hales: They will have their turn, and no doubt they will take their turn. I think the hon. member for Norfolk (Mr. Roxburgh) might express his views as well. We agree on some things, but there are times when I do not agree with him. I do not agree with the great paradox we find when he is urging people to grow tobacco and his minister is spending money telling people not to use it.

I must proceed or my time will be exhausted. Mr. Abbott—and this might be repetitious—when he spoke in this house on the matter of holding a plebiscite on conscription in 1942, a very honourable member of the Liberal party, had this to say:

> It seems to me no useful purpose is going to be served by an interminable debate in this house or outside it as to the desirability or otherwise of this plebiscite. We are going to have it—

He talks like a real Liberal.

> —and in spite of what some people may say it is a thoroughly democratic procedure. I spoke a moment ago about responsibility and I suggest that the people of the country as a whole now have an opportunity to assume their responsiblity, to turn out and vote and show each other and the rest of the world, if you will, that democracy can be made to work even in wartime.

They took a plebiscite in wartime, so surely we can take time in peacetime to let the people speak. There is no excuse in that regard. We cannot ignore the many minority groups that have such strong views on this new flag for Canada. What right has a minority government, and I remind you a minority government is what you are, to railroad this flag through this house, ignoring the rights of those who feel very deeply on this matter? If this flag is pushed through now without hearing from them the rift will grow greater and greater.

It would be very simple and inexpensive to hold a plebiscite. It could be held at the time of the next federal election at little expense. You would simply walk in to vote, be given a ballot with the names of the candidates on it and you would be given another slip of paper with three or four flag designs in colour and you would simply mark an X opposite the one you preferred. I believe the method adopted in the province of Alberta, which is referred to as the transferable vote, could be adopted whereby you mark your choices first, second and third. There would be no problem in that regard. I know each Canadian would say, "I will be loyal to the flag which the majority of Canadians choose."

In conclusion, I review briefly what I have said. I suggest to the Prime Minister that if he is bound to bring in a new flag he should start over again with a clean sheet. He should set up a non-partisan committee to represent Canada and introduce a new design for parliamentary approval, not a government design. If he does not want to do that, he should withdraw the resolution that is before the house now. This is the last day of debate, at the moment. He should allow the members to reassess the whole issue during a summer recess. Let us go home to our constituencies; let us think about this very serious matter. Let it simmer a bit and then come back and decide where we go from there.

If these courses are not possible, then give the people of Canada an opportunity to express their views by means of a plebiscite. Surely out of these three suggestions the Prime Minister will find one that is acceptable, because he must understand the great damage that is being done to the country at this time. I hope he will choose the easiest course, and that is to pull this resolution off the order paper until next fall. Failing all this, surely a compromise is possible. A compromise can save this nation. A compromise is worth while. Let us do all we can to seek a compromise. I agree that the Canadian red ensign as it stands might not be entirely acceptable to everybody in Canada. I fully realize this. I think it is acceptable to the majority, but I may be wrong.

Surely the two great founding races of Canada can sit down and draft a flag design that will be acceptable to both. Each group will have to give up a little, this is certain. Each of these two great races is going to have to give and take a little in order to save this great nation. Surely a compromise can be reached in some way. In conclusion, I beg the Prime Minister and his government not to press the present design of a distinctive Canadian flag upon this house and the people of Canada.

Mr. Barry Mather (New Westminster): I should like to say a few words in support of the amendment which is before us and for the conducting of a referendum or plebiscite on this flag issue. At the outset, sir, I would like to say that unlike most of those who have spoken to date in favour of the referendum and in support of the red ensign, I personally am not of that number. I support the proposed maple leaf design. I hope to vote for that maple leaf flag design in a plebiscite in which other Canadians who oppose it may express their democratic right.

I am supporting this amendment and I intend to vote for it, if and when it comes to a vote. I hope that will be soon so that we can get on with the plebiscite and have this decision made. I should like to commend the Prime Minister of this country upon the introduction of this maple leaf flag design. I think he has done well. However, I do not agree with his methods in trying to establish it as the flag of Canada.

I do not think that he or his government, or this parliament, has any mandate from the people of Canada to change the flag. So far as I know the nation is still uncommitted on that very important question. Therefore I feel that the amendment calling for a poll of the people on the flag is the very essence of democracy, and I support it.

I do not intend to spend much time in advancing my arguments in favour of the maple leaf design. I will simply say that I think Canada should have a flag which, when flown abroad, is distinguishable from all other countries' flags and which, when flown at home, will be an emblem which in time will function towards unifying the national community so that we can make Canada take a larger and better place in world affairs.

I should like to say a few words specifically in relation to the proposal for a plebiscite. In that regard I propose to discuss some of the arguments which have been advanced thus far against holding a plebiscite. One of these arguments is that it is not in the Canadian or British tradition for us to take a plebiscite or referendum on such a question. Well, Mr. Speaker, there are a number of things in this country which were traditional in the past and which we have changed. There was the tradition held until not so many years ago that women should not have a vote. This is one tradition we got away from and it is good that we broke with it.

I do not put any particular weight on tradition for tradition's sake. A tradition should be studied to see what merit it has. If it is a good tradition, if it is realistic in the light of modern circumstances, then I believe we should retain it. If it is not then, like the traditions we have changed in the past, we should modify or do away with it. Therefore, I do not put any great faith or force in the argument of those opposed to having a plebiscite on the flag on the basis that it is not a British or Canadian tradition.

Another argument against the holding of a referendum on the flag is advanced, namely that it would serve to create acrimony from one end of the country to the other. No doubt there are strong feelings in the country, as there are in this house, on the matter of the flag. There are bound to be, but I personally have more faith in the Canadian people and in their common sense than to go along with those who argue that we cannot afford to put this matter up to the people. I think we can well afford to do that, and in the long run there will be no hard feelings such as will be created if we 265 members in this house take it upon ourselves to decide the opinions of 19 million people.

I think we should go ahead and let the people of Canada have a poll on this very basic general question of the flag, which is not a matter of business, or economics, or anything we can put down in black and white and argue in a mathematical fashion. Whatever kind of flag we favour, we should agree that a flag is a matter of spiritual emotion to all of us, that it is something on which everybody in Canada has the right to express his or her opinion, and I hope they are given that privilege.

It is said, Mr. Speaker, that the holding of a plebiscite is something that is very rarely done, that it is a difficult matter, and that it has many troublesome factors involved in it. More particularly it is said it is not usually done in British commonwealth countries. In this connection I would like to quote from the "Encyclopedia of Parliament", by Wilding, at page 486, in regard to referendums:

> The machinery of the referendum has been used in a number of commonwealth countries—but not

in the United Kingdom—to obtain for the government a direct decision from the electorate on a specific subject involving legislation, and parliamentary voters are entitled to express their opinion by voting for or against the government's proposition. The referendum has been used in Canada and New Zealand on the question of prohibition, and in Australia to introduce amendments to the constitution. A referendum was also held in Southern Rhodesia in 1953 which decided that the colony would form a federation with Northern Rhodesia and Nyasaland.

From that we can see it is not an unusual thing in British commonwealth procedure to take a matter such as a flag or other major problem to the people and let them decide it themselves.

The idea of the plebiscite or referendum, or polling of the people, comes down to us from very ancient times. There is an old, old saying that goes something like this, "On minor matters the few decide; on great affairs the many." I think we should keep that in mind, that over many centuries many great problems, such as a flag issue, have been settled by putting the question directly to the people directly affected.

There is nothing difficult or particularly onerous about holding a plebiscite. I have in mind the instructions for the holding of a referendum prepared by the returning referendum official in 1942, explaining in detail how a plebiscite should be conducted, where, and who should be employed. It has been done, and can be done again.

Now, Mr. Speaker, I would like to quote very briefly from a British statesman of some note, the late Sir Austen Chamberlain, giving his opinion on the virtues of referendums and plebiscites. He said:

I have often wondered that we have never adopted the principle of the referendum as practised in Switzerland, and also in many parts of the United States of America. It is the only way in which the decision of great national questions can be separated from all the complicated issues of party government. At a general election the voter is influenced partly by his desire to see his own party in office, and partly by his views on a number of special questions, many of them purely local or even personal.

If, in the case of a new policy, not necessarily political, it were possible to eliminate all side issues, we might have a national verdict which all sections would accept, and which would be given without reference to the perennial struggle between the "Outs" and the "Ins" which is at present the chief occupation of political life.

I think those words are very appropriate at this time and I am very happy to have the opportunity of putting them on record in support of my arguments favouring the holding of a national referendum.

In conclusion, I hope this amendment will pass and that a plebiscite will be taken. If this is not done, then I may say I, and some other members, are conducting plebiscites in our constituencies by mailing ballots to our constituents asking whether they favour the red ensign or the maple leaf. I have received some three to four thousand replies, and much to my regret the people voting to date are showing a preference for the red ensign on a ratio of about three to two.

My views on this amendment are not those of the majority of my party, but I hasten to add that we in the New Democratic party shall have a free vote in the house on this flag issue. I would like to see that free vote extended to all members in the house and to all people in Canada.

Mr. M. L. Klein (Cartier): Mr. Speaker, much has been said in this house in connection with this debate and there is not too much I would want to add, except to add to some of the statements that were made by the hon. member for Parkdale (Mr. Haidasz).

I too represent a constituency that is comprised of representatives of almost every ethnic group in this country. They are vitally interested in the issues which we choose to term the flag debate. The ethnic groups favour a distinctive Canadian flag with symbols, or a symbol which will bring national unity to Canada; because they have lived through the ravages of nationalism. The ethnic groups that came to Canada ran away from nationalism, and they are saying that Canada needs a nationality and not sectional nationalisms. In short, they hope that the founding races will find themselves.

The present resolution has been termed, perhaps, "Pearson's pennant" and it has been stated—as has just been stated by the hon. member for Wellington South (Mr. Hales)—that Pearson is trying to ram his flag down the throat of parliament and the Canadian people. The hon. member says that we have no right to do this, because we are a minority government. I submit, Mr. Speaker, that a minority government cannot railroad anything, because a minority government requires the support of members on the other side of this house in order to pass a resolution of this kind.

Some hon. Members: Hear, hear.

Mr. Klein: And I have no doubt that even members of the same party as the hon. member for Wellington South will be voting in favour of this resolution.

Mr. Lambert: You haven't got a mandate.

Mr. Klein: If we were to give this resolution a subtitle, in my view we would not call it "Pearson's pennant" but rather "Pearson's penchant for peace".

Mr. Lambert: Come out our way.

Mr. Klein: The hon. member for Parkdale (Mr. Haidasz) stated that the ethnic groups respect the red ensign—and this is true. I must say that I was impressed by the colourful display we had on parliament hill with the red ensign. But we must in my view face the facts of life; and the facts of life are these, that in addition to the ethnic groups there are thousands of people in this country, perhaps millions, to whom the symbols of the red ensign represent defeat and humiliation.

Some hon. Members: Oh, oh.

Mr. Klein: I am not saying they are right, and I am not saying they are wrong; I am not taking issue with them. But the fact remains that there are thousands, or millions, of people in this country who consider that the symbols of the red ensign represent to them defeat, humiliation and domination.

Mr. Lambert: What does Mr. St. Laurent say in that regard?

Mr. Klein: If they say that the symbols of the red ensign have certain connotations at one end of this country, and other connotations at other ends of the country; that in other sections of Canada the connotations are victory and domination—

Mr. Lambert: No.

Mr. Klein: These are the facts of life. Some members have said that this resolution is appeasement to Quebec. May I point out one thing in this connection, namely that no member from Quebec, nor any editorial in any newspaper in Quebec, has set forth that it would like included in the new distinctive flag the fleur-de-lis or any other symbol of French Canada. French Canada wants a distinctive Canadian flag in order to be able to rally around some common denominator with the rest of Canada.

Some hon. Members: Hear, hear.

Mr. Lambert: Have you ever heard of maple leaves out west?

Mr. Macdonald: We have a few silly asses around the west.

Mr. Klein: I believe that we not only need a distinctive Canadian flag but we have to revise our history books in this country and we have to stop fighting the battle of the plains of Abraham. Every successive generation keeps on fighting the battle of the plains of Abraham, and this is contributing to disunity in this country.

Mr. Alkenbrack: You are fighting it right now.

Mr. Klein: The history books should be factual, relating to what happened; but they should not dramatize and embellish the glories of a military commander. Mr. Speaker, I want to say just one more thing. The one issue upon which the entire house agreed—at least, in the time that I have been here—was the address to the Queen requesting the amendment to provide for survivors and disability benefits. In other words, every section of the house declared that it is a humiliating experience to have to go to another country in order to amend Canada's own constitution. If it is a humiliating experience—and this was agreed upon—to have to go to another country to amend our own constitution, is this not the greatest point in favour of having a distinctive Canadian flag? If the parliament of Great Britain to whom the amendment is addressed—I know that in practice they never refuse such amendments, but in theory they could refuse this amendment—refused this amendment there would be resentment throughout the length and breadth of this country. So, Mr. Speaker, I say in conclusion—

Mr. Alkenbrack: So you are still fighting that battle.

Mr. Klein: —let us stop talking in this country only about the things we are ready to die for. Let us talk about the things we are ready to live for in a great and united Canada.

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, we have before us today a very divisive issue in this resolution on the flag. It is a two-pronged resolution. It was intended as a one-vote resolution; but following the skills of those of other days in calling sinners to repentance, the resolution was split. *Le Devoir* carried an editorial on May 28 in which they accused the Prime Minister (Mr. Pearson) of running with the hares and hunting with the hounds; or, in principle, of dividing Canada. You must ask yourself what madness prompted the Prime Minister to sponsor his own flag, revealed to others before it was even revealed to parliament, and then in the most dictatorial

manner he held our noses and poured the castor oil into our mouths without our having even the opportunity of freedom of choice. The *Globe and Mail* of June 16 had this to say about this mess:

A bitter wrangle between the defenders of the red ensign and the crusaders for a new maple leaf flag has raged across English speaking Canada and shows no sign of abating. In French speaking Canada there is dissatisfaction verging on disgust at Mr. Pearson's attempt to compromise by retaining the union jack as a flag to be flown on royal and commonwealth occasions. Whatever the outcome of these disputes now, it seems inevitable that large sections of the population will be left aggrieved and rebellious.

This is the unhappy state to which Mr. Pearson has reduced us, and it would be very natural if the opposition parties in the House of Commons sought to drive the lesson home as they debate the flag issue this week. They have every reason to be resentful of Mr. Pearson's tactics in threatening them with an election unless they accept the design he has chosen, and plenty of ammunition with which to discredit him.

This is the Prime Minister who a few years ago was a diplomat of some stature. He has made the flag issue a personal issue, regardless of all other pressing social and economic ills of this nation and regardless of other election promises which were far more important. Yet he presses the flag issue, even though it was not an election promise.

The Prime Minister stated on May 15 in this house that there were 38 pieces of legislation which must be passed before a summer recess. There was no mention of the flag whatever. What changed his mind, Mr. Speaker? He stirred up a lot of strife and emotion in parliament, but that does not matter much because we are paid to take it. But what about the emotions he has stirred up from the Atlantic to the Pacific across the land? If you do not think this is so, Mr. Speaker, just look at the editorials. Canada cannot afford this. I wonder whether the Prime Minister has become emotional on his own resolution when he says that this flag goes through without a free vote or we have an election. I wonder whether this is subtle closure, Mr. Speaker. He wants to bring in this flag with little or no regard for history or tradition.

I should like to put on record what the Midland *Free Press* has to say about this. This is a semi-weekly publication and has won many awards for its editorial page. In an editorial it says:

It is argued that the favourite among the new designs—the three red maple leaves on a white background and two blue bars at the hoist and the fly—will promote unity in a divided land.

We seriously question this contention and we believe a description of the symbolism of the red ensign and of the presently favoured design will illustrate the point.

The proposed new flag does not have much to offer in this regard. Its heraldic significance is shallow. The two blue bars represent the seas on our eastern and western coasts. The significance of the white background in the centre escapes us. The three red maple leaves are emblematic of a tree that grows in Canada, but they also are found in other lands as well.

Now let's look at the elements embodied in the Canadian red ensign.

In the upper left hand quadrant is a union of the crosses of St. George, St. Andrew and St. Patrick—patron saints respectively of England, Ireland and Scotland, it is true. The three ancient saints, however, were not nationals of the lands of the British Isles. They were chosen because of their great deeds and high ideals. St. George was a Macedonian, the patron saint of chivalry. St. Andrew, a Jew, was one of Christ's apostles who was martyred for his faith. St. Patrick was a missionary who spread among the Irish the civilization learned in France.

The peoples of Britain consist of a melting pot of Britons, Angles, Saxons, Picts, Scots, Romans and French. This part of our flag then links us with our ancient forefathers in the islands and mainlands of Europe.

Later on I shall make some reference to what a previous prime minister, Mr. St. Laurent, said on this very point. The editorial continues:

It is said that a flag should be emblematic of its people. The shield from our coat of arms, contained in the fly of the ensign, would seem to do a pretty fair job in this regard. Emblazoned in the five parts of the shield are the three lions of England derived from the standard of William of Normandy; the lion rampant of Scotland; the harp of Ireland; the fleur-de-lis of France; and the three red maple leaves.

Both symbols—the union of crosses in the upper quadrant and the great shield—were not originally chosen for nationalistic reasons. They were selected because they symbolized "unity by agreement and the abandonment of narrow nationalism in favour of the brotherhood of man. The red background denotes a position of honour.

As a spokesman said, "The ensign is a flag with great depth of meaning capable of representing our complex idealism, our varied traditions and cultures, things a new design could not possibly match".

We agree. And if we exchange the ensign for a proposed new flag of much lesser consequence, it seems to us we will be swapping our birthright for a mess of pottage.

Do we really want, Mr. Speaker, to get rid of those symbols?

The *Packet and Times* for Monday, June 8 last, offers some sage advice; it is a paper whose editorials have been quoted all across Canada.

In his proposed design for a new Canadian flag, Mr. Pearson is attempting to avoid any conflict between English speaking and French speaking sections of the country, by omitting any British or French symbol whatever. In doing so, of course, he has produced a flag which represents nothing

whatever, and so has robbed the flag of the very function for which it is intended. For surely a flag has no meaning or value whatsoever, unless it be to represent heraldically the spirit of a nation, and so be an inspiration and source of pride to its citizens. A flag selected only because of its bland austerity and freedom from anything calculated to stir strong feeling, can hardly be valued for its inspirational qualities.

The whole issue of Canada's flag has blown up into ridiculous proportions, and has split still further a country already in need of all the unifying elements it can find. There is a dismaying tendency to value the symbol at the expense of the reality; it is Canada that is truly important, not the design of the flag it chooses to fly. In the bitter bickering over that design, some sense of proportion must be maintained. It is utter folly to speak, as some have done, of breaking up confederation if this or that design is not chosen.

Yet once the relative importance of the issue has been established, it is quite right that something should be said about the value of retaining in the national flag the symbols of this country's origins. The two great facts of our national existence are, first, our British heritage, which gave us our language, our laws, our form of government and indeed, all the principles and values which guide our way of life; and second, the empire of new France which was joined with British North America in full and equal partnership. Surely any flag purporting to represent this country must reflect this dual origin of all the institutions and outlooks which are uniquely Canadian, and which impart a distinctly Canadian character to people and nation. It is the measure of the total inadequacy of Mr. Pearson's proposed flag that its symbolism reflects not a trace of this rich and unique national heritage.

The objection to the existing Canadian flag, based on the red ensign, is that it does not sufficiently indicate the French partnership in this great nation. Surely this is capable of easy remedy, perhaps by the replacement of the existing Canadian coat of arms in the fly by large fleur-de-lis, singly or in a group, to share pride of place with the union jack on the traditional red background. Something of the kind could certainly be evolved which would be both heraldically correct and visually attractive, as well as truly indicative of this country's national origins.

A real Canadian ensign, so evolved, would perpetuate both a traditional design under which this country has grown and prospered and under which its troops have fought in two world wars, and reflect the long history of a unique racial partnership. Such origins are to be perpetuated proudly, not buried in the bland anonymity of a piece of white bunting. A flag is intended to stir emotion, not dampen it. Only an amended red ensign can truly reflect this nation's pride in its past and its aspirations for the future.

This sets out some compelling reasons why symbols of the past should be retained. I intend now to quote one of the great prime ministers of this land, a man who was in power longer than any other prime minister in the British commonwealth, Mr. Mackenzie King. This is what he said:

The new Canadian flag should certainly contain the union jack. It would be unthinkable to have a flag for this dominion which did not contain the union jack.

This was said by Right Hon. W. L. Mackenzie King in a statement to the Canadian Legion in 1945. I also wish to quote what was said by prime minister Right Hon. Louis St. Laurent in the House of Commons in 1949. He said this:

The union jack is a symbol which represents much that is best in the heritage of all those who derive their tradition and their culture from western Europe.

I wish to say that part of my family ties are with western Europe. The quotation goes on:

The crosses that are part of the union jack represent much of what we in Canada, from whatever race we spring, all honour as precious and good in our heritage...I do not believe that any of us in this country regard the union jack as being a symbol of conquest or subjugation. It is under the union jack that the institutions of this Canadian nation have grown and developed and have brought us to the point where now the dominion is and has been an autonomous state subject in no phase of its domestic or its external affairs to any authority other than this Canadian parliament.

I should like to comment on a reference which was made by one of the previous speakers to the British North America Act. Let me say that the British North America Act was drawn up by Canadians, not by English people. It was drawn up at Charlottetown and in Quebec.

I have talked to several Canadians of French origin from Quebec and they have told me the flag is a waning issue for them. It is not very important any more. They said: We have our own flag, the fleur-de-lis; we could not care less about the flag; what is important is control over our own economy and we shall not brook any more interference from Ottawa on this point. This is what I gather after talking to important French speaking Canadians in the city of Montreal. This would imply that the question of the flag is not the big issue in Quebec we have been led to believe it is. Certainly, in my riding, of those who have written to me—and I have received more than 500 letters—over 90 per cent were in favour of the red ensign and the rest were divided in their opinions.

I believe a perusal of history would indicate a desire to retain symbols of the past in any new flag we might choose. When I see the three lions on the flag, I immediately think of William the Conqueror coming from Normandy, and I believe 90 per cent of all the people who come to this land, to the

province of Quebec, are of Norman stock. That is their proud heritage. It was William the Conqueror who came to the throne of England after defeating Harold at the battle of Hastings. Let me remind the house that the parliament of England and the ruling class of that country used the French language for 300 years. The first income tax bill was written by William the Conqueror. The first census was taken by William the Conqueror, and I am proud that a man coming from Europe did that. It showed administrative ability, and I am also proud of the fact that it was by one of this line of Norman kings that the first great charter, the cornerstone of British democracy, was written. I refer to Magna Carta commonly known as the great charter. We honour that and we respect it, no matter what our country of origin, because it is a cornerstone of parliamentary democracy. It was a Norman king who was forced to sign that charter. It was drawn up by the Norman barons at Runnymede and it became the father, or the mother, or whatever you like of the great bill of rights which gave this country freedom of choice, freedom of election, freedom of religion and freedom of assembly.

Over those 300 years of history the English language became a melting pot of the Norman and the English tongues and out of that evolved the English language which is spoken today by the strongest and greatest nation in the world, just south of us. I am proud of that, Mr. Speaker. I am proud of the part the Normans played and I am proud of the fact that a great part of the English people belong to that Norman stock. Surely those of us who are of that stock do not want to throw it out the window or sell it for a colourless piece of cloth which does not mean anything to us.

In the course of history a few hundred years later a great event took place on the plains of Abraham. I am always proud when I read about it because many of the soldiers who fought there were soldiers from this melting pot of English, Norman and Scotch. There were also Norman soldiers under Montcalm. I read those pages of history and I am proud to learn that Montcalm was a man who loved his homeland and who, in his letters to his wife and daughters, said he hoped he would soon be able to join them back home. He was a home loving man and he was a great soldier of high moral principles. I am also proud to know that Wolfe wrote home regularly to his mother and that the night before the battle of the plains of Abraham, as they floated down the St. Lawrence, he pulled a copy of Gray's Elegy from his pocket and read it. When he had read it, he said: Fellow officers, I would rather have written that than capture Quebec tomorrow. Both these two great generals were killed on the plains of Abraham and I want to say that out of their ashes, out of the things they gave to Canada, has arisen a mighty nation of which we are all proud. We are proud of the part each of them played; we are proud of them. We are proud of the pages they have given to history.

I want to say to you, Mr. Speaker, that poor indeed will be the lot in tradition of the young people of this country when those pages are removed from their history books. Do we really want to give up the symbols of the past? As I go through the pages of history and come to the American revolution I think of the French, and how they stood nobly by with their brothers. Yes, the English were Normans, do not forget it; they were a mixture of Normans, Picts, Scots, and so forth. They stood nobly by; they were the staunchest of people, saying: We do not want any part of the American republic; we want to maintain our loyalty to the crown that will protect our rights and that gave us the Quebec Act.

Yes, Mr. Speaker, these same people fought alongside us in the first great war. Who make these differences? Is it the politicians? I wonder. It is not the people, because they fought alongside us in the first great war. I think also of the present Governor General of this country who fought in that war and was seriously injured. I come to the next great war and I think of another French Canadian, the Gentleman Usher of the Black Rod of the other place, who was severely wounded. We have fought for the same causes and the same principles over the years.

What is wrong, Mr. Speaker? Do we want to change the flag? Do we want to retain our symbols? My feeling is that this country has done a tremendous task and nothing should be done now to divide the country. When the Prime Minister takes it upon himself to shove down the throats of members of parliament a flag which he says represents all that is good in Canada but which leaves out all our past history, then I think we would be derelict in our duty if we did not fight to the last ditch to retain those principles that have made Canada the great nation it is, and a part of any new flag.

Is there any good reason for shoving the flag through at the expense of much more

important legislation left in mothballs, legislation that this country is crying for and needs? Does the Prime Minister not realize that he in effect is using a subtle form of blackmail or closure through the threat of an election? Or is there a feeling of divine right? This view was more or less expressed the other day by the hon. member for Northumberland (Miss Jewett) when she said it did not matter much what your constituents thought, that you should vote regardless of their wishes. I am one of those who have always felt that the people of one's riding are those who decide how a member should vote, because they elect the member as their representative.

Why is the flag issue the supreme issue before the house? Will it change the economy of Canada one whit? Will it improve the lot of any Canadian home the day after it is adopted? Will it put one more dollar in the pockets of the taxpayers? Will it improve the security of even one Canadian? As one writer noted, the Prime Minister may imagine that he is bold and daring but his armour is completely that of foolhardiness. On May 15 last the Prime Minister outlined 38 pieces of government legislation which he said must be completed before a summer recess and, as I said, the flag issue was not among them. Why the haste? Is it to conceal something? Is it to get off the hook on more important issues? I suggest that the most important issue confronting Canada today is automation and employment. If we do not solve this problem hundreds of thousands of young Canadians will be walking the streets in a few years.

The Prime Minister knows he is in trouble because of his two flag stand. Most people do not want a two flag nation. Passions are being roused across the country. I am one of those who try to carry out the wishes of my constituents as far as possible. Therefore I think the people of Canada should be allowed to express their opinion.

I want to remind the Prime Minister that he is the head of a minority government. Only 42 per cent of the people of Canada supported his minority government. If the Prime Minister will not let the people of Canada decide this referendum, will he consider setting up a dominion-provincial conference, provide the delegates with the assistance of historians and heraldic experts, and let them do the job? Then we will have a flag picked democratically and, above all, we will have one flag instead of ten. We will have a flag representative of Canada, not of only two provinces.

[Mr. Rynard.]

The Prime Minister has a unique challenge today. I say to him: Take off this foolhardy armour; get rid of this bold and daring approach and go back to the approach of Sir John A. Macdonald, William Lyon Mackenzie King—St. Laurent, Cartier, Lafontaine, Baldwin and others. Let him cease to be a despot, a dictator with a minority government. Let him again restore democratic principles to this parliament and respect the wishes of the peoples who make up the mosaic that is Canada, who are proud of Canada, proud of our past, proud of our history and do not want to trade these symbols for a mess of potage.

Mr. Jack Davis (Parliamentary Secretary to Prime Minister): Mr. Speaker, at the outset I should like to make it quite clear that I am going to vote for both parts of the resolution. I am going to vote for two flags. I am going to vote for a distinctive Canadian flag and I am going to vote for the union jack.

I do not make any apologies for the fact that I intend to vote for two flags. I think that with the passage of time Canadians will be indicating loyalty to a number of flags. Foremost among these flags, at least in the minds of those who are international in their outlook, will be the flag of the United Nations. They will be looking also to the flag which denotes our connection with the commonwealth family of nations, the union jack, which is found in the second part of the main resolution presented to the house several weeks ago. They will be looking to a distinctive national flag for Canada, the maple leaf flag, the flag that will be passed during the current session of parliament.

There will also be provincial flags across this country. There are several in existence at the moment. There is one in Newfoundland, the union jack. There is one in Quebec, which most of us have seen flying. It is composed of a white cross on a pale blue background with four white fleur de lis, one in each corner. There is a flag in one of our other rather nationalistic provinces, the province of British Columbia. The flag prominently displays the union jack. There is also a flag in Nova Scotia. In heraldic terms at least this flag dates back to the early 1600's. It is essentially the cross of St. Andrew with a lion rampant representing Scotland on the centre of the flag.

These four categories of flags at least will be regarded as important by Canadians. I repeat that those who are internationally minded will tend to look more to the flag of the United Nations and to the union jack.

Those who are more provincially minded will tend to look to our provincial flags, club emblems and so on. But there will be more than one flag prominently displayed across this nation.

A flag is used as a banner to rally people together, to rally forces, to focus the interest and attention of the populace at large. It is used to identify groups, provinces, nations and peoples. It is also used to celebrate historic events and highlight recent accomplishments. These are the various purposes of flags, banners and coats of arms of different kinds. But these are merely the symbols. Underlying them are the basic ideas, the basic concepts for which a flag or coat of arms stands.

These concepts, these ideas are what is really important. They are the essence of our modern democracy and of any substantial crusade to get things done. The union jack means a great deal to many people. It means a great deal to members, like me, who come from British Columbia. To me and to many other British Columbians it signifies courage, confidence; it indicates compassion and it also is a symbol of Christianity and Christian ideals. I am certain that we will continue to fly it, that is the union jack, because of the basic ideas which it symbolizes, because of the history and tradition in which those various ideas have been displayed.

Now, we need a national flag as a means of identification of Canadians, particularly Canadians abroad. It would be particularly useful at this moment if the Canadian forces on Cyprus had a distinctive Canadian flag because they could be identified, not as forces from the United Kingdom, not as forces from other commonwealth countries, but specifically from Canada. Canada is thought by many countries to be unbiased, lacking in territorial ambitions, and so on. For these reasons I think it is important that our forces have this distinguishing mark.

I should like briefly to make reference to the concept of nationhood, of nationality. In this connection I should like to quote from the first chapter of a book which has recently been published, entitled, "The New Nationality". The author is Frank H. Underhill, and he states in this book—and I think interestingly—

> A nation is a body of men who have done great things together in the past and who hope to do great things together in the future. What makes them into a nation is not necessarily community of race, language and religion, though these are powerful forces when they are present; it is their common history and traditions, their experience of living together, their having done great things together in the past, and their determination to continue doing great things together in the future.

Now, Canadians in their history have not seen many sharp and dramatic changes. Most of the changes which have taken place in our great country have been gradual. I should like briefly to run over and contrast them with the histories of other countries. Throughout history, many of the great nations of the world have been in conflict when they were born, and they grew to maturity beset by danger and tribulation. Out of these circumstances rose strong and fervent feelings of patriotism and nationalism, fanned by difficulty and nurtured by opposition.

Under such circumstances, a feeling of national identity came quickly to the fore. National heroes were made. They were men who fought or died or faced prison or exile for the new nation. Great landmarks in the form of battles won or lost were stamped on the national consciousness. To these people, the Bismarcks, the Cavours, the Simon Bolivars, the Gandhis, the de Valeras, and to these historic events, new citizens could look for inspiration and for a spirit of dedication.

A great example of this of course is in our neighbour to the south. Born in desperate revolution, nurtured in the crucible of the civil war, the United States quickly established its national heroes such as George Washington, Jefferson, Hamilton, Lee and others; its historic landmarks; its character and identity. Its first citizens gained their independence in blood and toil, and the facts of history were starkly etched for future generations to see.

We in Canada do not have the advantage, if one may call it an advantage, or such a violent and spectacular birth. We came to nationhood through negotiation and consent. We reached independence without forfeiting the connection with our ancient motherland. We achieved maturity without hostility and identity without violence.

All this has left its mark on our national character. Most Canadians tend to be moderate in their decisions, unexcitable in their attitudes, slow to anger and not prone to extreme positions. So it is in this matter of national symbols. I do not believe that as Canadians we should regret the fact that we have to spend a few weeks of parliament's time to arrive at a national flag, a national symbol, when by contrast we look at the wars, the revolutions, the extreme emergencies out of which other nations were born,

and as a result of which they established their own symbols.

I should like briefly to run over the reasons for choosing the colours in the distinctive Canadian flag, the colours red, white and blue. There are many historical reasons for choosing this grouping of colours. The first white men to set foot on North America, historians now tell us, were the Vikings. Essentially a northern, or a Norman people, from whom both our French speaking and English speaking ethnic groups are largely derived, these adventurers set foot on North America around the year 1,000. Back in those days, a flag of the type that we now know did not exist. One of the identifying marks was the sail—the colours of the sails of the ships in those days. The colours of the sails of the Viking ships were red stripes on a white background. The red and white were established there. The black raven of these northern people also was displayed on some of these ships, but the colours predominantly were red and white.

Cabot touched Cape Breton about 500 years later, in 1493. The flag he flew was the cross of St. George, red and white. In 1524, some years later, Jacques Cartier first arrived in Canada. Jacques Cartier flew the flag of France. Down through two centuries after that, variations of the flag of France appeared and were flown in what is now eastern Canada. They were substantially the fleur-de-lis and various groupings of the fleur-de-lis on several backgrounds, red, white and blue. Again therefore the red, white and blue colours appeared in our background.

Henry Hudson flew the first union jack that was shown in Canada in Hudson bay in the year 1610, a few years after the first union jack was struck. The union jack then was a combination of the cross of St. George and the cross of St. Andrew, red, white and blue. The union jack was again established on Canadian territory in Nova Scotia in the early years prior to the battle of the plains of Abraham. The union jack was raised on the plains of Abraham in 1759. It included the cross of St. Patrick after 1800 and it was the official flag of Canada down to the early 1920's, although a variation of the red ensign was flown by our merchant marine and occasionally from buildings both inside and outside of Canada.

In 1921, Canada's official coat of arms was struck. It was the result of careful deliberation and a careful review of heraldry. This coat of arms was introduced and confirmed by a Conservative government. It bears the historic emblems of England, Ireland, Scotland and France in the top part of the shield. Incidentally, the top part of the shield denotes the historic background of the nation or an individual. If one hires an expert in heraldry to go into his family background, he will find the history of his family is on the top part of the shield and the individual himself, the present, is on the bottom part of the shield. On the bottom part of the shield as introduced, formalized and finally adopted by Canada in 1921 are three red maple leaves conjoined on a single stem on a white background.

This was the first time on which the three red maple leaves on a white background were officially proclaimed. This is now Canada's official coat of arms and has been for the past 40 and more years. There was a cabinet minute passed in 1957 which further clarified the red leaves on a white background. Many red ensigns flying today still show green leaves, but this is not true to the legislation of the early twenties and the cabinet minute of 1957.

In 1963, in order to clarify matters further, the hon. member for Leeds (Mr. Matheson) asked a question of the previous government. He asked, "What are Canada's national colours?" and the answer came back, red on white. He also asked, "What is Canada's national symbol?" and the answer came back, "Three red maple leaves on a white background." Therefore during the life of the previous administration this was recognized officially, first confirmed and then officially recognized in answer to questions posed by the opposition, that our national colours are red on white and the official emblem of Canada is three red maple leaves conjoined on a single stem on a white background.

I would like to refer briefly to the form of the flag, but before doing so I shall make a reference to Canada's colours at the Olympic games. They have always been red on white, red maple leaves on a white background. Similar colour combinations have been shown at our national exhibitions, beginning back in 1905 at Turin, Italy; so that we have a long history of red maple leaves on a white background as part of our Canadian tradition.

As to the matter of form, there are various requirements of a distinctive emblem. These are that it should be easily recognizeable, that it should not be like the emblem of any other country. It should be visible at a considerable distance, as well as close up to those

who are looking for its designation. It should also be symbolic of the country and characteristic of the nation.

These requirements are not met by many flags; hence those flags are not truly distinctive. I should like to indicate some flags of this type, flags of the red ensign type, and this information I obtained from the parliamentary library. They appear on a card headed "Flags of the Commonwealth," and I should like to describe these flags. There is, of course, most prominently the union jack, and under it the flags of Canada, Australia, New Zealand and many other countries. The flag that is typical of the colonies resembles the flags of Australia and New Zealand. There is the union jack up in the canton, next to the pole, and the distinguishing mark is on the blue or red background. The blue background, or blue peter as it is sometimes called, is more common in the case of colonies, but there are variations.

On the chart in front of me I see 33 different territories or colonies whose unique badges appear in the fly, in the same fashion or manner as the now official Canadian coats of arms appears in the fly of the Canadian red ensign, and for the record I would like to read out what these are. Their flags resemble the red ensign of Canada, with the union jack up in the corner, and the shield or circle down in the opposite corner, and they include Aden colony, Antigua, Barbados, Bahamas, Bermuda, British Guiana, British Honduras, British Solomon Islands, British Virgin Islands, the Caymen islands, Dominica, The Falkland islands, the federation of Rhodesia and Nyasaland, Fiji, Gambia, Gibraltar, Gilbert and Elice Islands, Grenada, Hong Kong, Kenya, Mauritius, Montsarrat, North Borneo, Northern Rhodesia, Nyasaland, St. Christopher-Nevis-Anguilla, St. Helena, St. Lucia, St. Vincent, Sarawak, Seychelles, Southern Rhodesia, Turks and Caicos Islands. Those are flags of various colonies and other territories around the world which are of the ensign type.

I should also like to put on the record a quotation taken from "Flags of the World", edited by Gresham Carr and published in London in 1956, and the remarks in it bear more particularly on the type of red ensign flown by the British merchant marine around the world:

> Some commonwealth merchant vessels—of Canada, the commonwealth of Australia, New Zealand, Cyprus, Somaliland, Western Samoa and Tanganyika territory, and of the British North Borneo Company—may, by admiralty warrant, wear the red ensign with the badge of the dominion, state, protectorate, or trust territory in the fly, but other colonial merchant vessels shall wear the red ensign free from any badge or distinctive mark.
>
> Any colonial merchant vessel may, however, wear a distinguishing flag with the badge of the colony thereon, in addition to the red ensign, provided that such a flag does not infringe the provisions of the merchants shipping act of 1894.

Again, still quoting,

> A few yacht clubs have permission to wear the red ensign defaced—

That is a proper term

> —by the badge of the club.

There are, in addition, numerous companies which over the centuries have been given permission—the Hudson's Bay Company is one of them—to put their own identification on the fly of a red ensign type flag, and hence around the world you have numerous territories, groups, other organizations and many private corporations which have official permission to fly a flag which at more than a few hundred yards distance cannot be distinguished from the Canadian red ensign.

I am reasonably certain that the vast majority of Canadians could not tell us what is on the shield of Canada, and hence what is on the badge of the Canadian red ensign. Indeed I would be surprised if the majority of members of parliament could quickly reel off what is on this distinctive badge in the fly of the red ensign at the present time. Therefore clearly the Canadian red ensign, which is officially adopted as our flag pending action by parliament, is not a unique emblem or flag for use in international gatherings such as at the United Nations.

Continuing on the form of the flag, the history of the three maple leaves dates back more than a century. There were a number of organizations which adopted the maple leaf as their symbol prior to 1867.

In 1860 a significant incident occurred when the then Prince of Wales visited Toronto. It was planned that all native Canadians would join in a procession, wearing the maple leaf as an emblem of the land of their birth. The Toronto *Globe* of that time tells us that they would therefore—

> —be known to the world as such and as loyal subjects to Her Majesty.

It also expressed the hope that the—

> —first public act of His Royal Highness, after presenting its banners to the Royal Canadian Regiment, would doubtless be that of sanctioning the adoption of the maple leaf as our national emblem.

The establishment of the coats of arms of Ontario and Quebec in 1868, immediately after confederation, is also of significance because three maple leaves conjoined on a single stem appear at the base of both of these coats of

arms. The coat of arms of Ontario includes three gold maple leaves on a green background. Incidentally, these maple leaves appear much larger than on the coat of arms of Quebec, because in the case of Quebec the top part, the historical part, of the shield includes both three fleur-de-lis on a blue background and the lions passant, representing the English ethnic stock of Quebec. The Quebec shield has at the base three green maple leaves on a gold background.

In heraldry the top colours, the most distinctive colours, are rated as follows; red, white, blue, and so on down to the less easily distinguishable colours. It is significant that neither red, white nor blue were used in the coats of arms of Ontario or Quebec at that time, in 1868. So presumably red on white or white on red was reserved for the nation, as they take precedence in terms of distinctiveness and certainly in terms of heraldic value. In 1921, of course, the heralds of that day were able to take advantage of the more distinctive colours, red on white, and confirmed the three maple leaves on a white background as the Canadian portion of our official coat of arms.

From 1868 onward many military medals were struck and most, if not all, of them have shown maple leaves, frequently three maple leaves on a single stem on the reverse side of the medal. "The maple leaf forever" was written in the late 1860's by Alexander Muir. In 1939 the battle flag of the first Canadian division was struck. This flag has been described by the hon. member for Leeds (Mr. Matheson); it contains three maple leaves prominently displayed on a red ensign-type flag and also shows three gold fleur-de-lis on a blue background. The service pin that veterans wore at the end of world war II is substantially a shield topped by a crown. It has a white background displaying three red maple leaves conjoined on a single stem.

In 1946 a joint committee of the House of Commons and the Senate sat for some considerable period of time and considered over 2,000 different designs for a Canadian flag. By far and away the most popular design contained one or more maple leaves. If that was any indication of the preference of Canadians of that day, the maple leaf was certainly at the top of the list.

Mr. Churchill: Plus the jack in the corner. What was the choice of the committee?

Mr. Davis: Since then there have been various insignia and symbols adopted by our armed forces. During world war II, as many hon. members will remember, the air force insignia was the rondel, the circles red, white and blue; but instead of the red circular core which appears in the Royal Air Force rondel, we had a red maple leaf. We now have a red maple leaf on the funnels of our destroyers and other naval vessels. We have maple leaves appearing as the distinguishing mark on our military vehicles in the army, and we now have on the official cars drawing up before the House of Commons three maple leaves prominently displayed as the distinguishing mark of Canadian sovereignty.

The Queen's personal flag, struck in 1962, contains on the top part, indicating our ethnic background again, the three lions passant of England, the lion rampant of Scotland, the three gold fleur-de-lis on a blue background, of royal France, and the harp of Ireland; but in the bottom half you have three maple leaves conjoined on a single stem, indicating the Canada of today and tomorrow, and printed on top of all this is "E.R.", "Elizabeth, Regina".

In concluding this portion of my remarks, Mr. Speaker, I would like to refer to colour and design. Certainly one of the group of seven great Canadian artists, Mr. A. Y. Jackson, seems to agree that three red maple leaves on a white background is appropriate. Remarks to this effect have appeared in the newspapers recently and I will merely quote from the Montreal *Star* of June 28. He is speaking about a design which he had prepared some three years ago and which, incidentally, bears a striking resemblance to the present proposed design, the design described in the first part of the resolution. Mr. Jackson is quoted as saying:

"We had to decide either on an emblem or an abstract design such as a tricolour—

This is Mr. A. Y. Jackson speaking recently when he was interviewed by the press:

—and there's so many of those—

He is referring to abstract designs:

—it's hard to get a distinctive flag. We have no animal—the beaver looks like a rat—and so the maple leaf seems best.

"Having decided that, the government should have called for suggestions—

I will skip the rest of that paragraph. Then he said:

"You have to think how a flag will look through a telescope from three or four miles away".

Mr. Churchill: Who owns a telescope?

Mr. Davis: He continues:

"One maple leaf, from that distance, might look like a circle or something and the flag would not

be distinctive. The three leaves would make it distinctive".

So this is the view of A. Y. Jackson.

Mr. Churchill: Get out your telescope.

Mr. Smallwood: It looks like the Russian merchant flag.

Mr. Davis: Mr. Speaker, I would like to go back just for a moment to the matter of several flags. I mentioned the United Nations flag, the union jack which is essentially the commonwealth flag, our own distinctive national flag and the provincial flags. I am certain that more provinces will be striking flags with the passage of time. I think some, acting soon perhaps, will be inclined to adopt a variation of the red ensign. This may not be, heraldically, correct, but they could remove the Canadian coat of arms and add the provincial coat of arms; or, for example, in the case of Ontario you could have an ensign type flag with the cross of St. George next to the pole, in the upper left-hand corner, and the three gold maple leaves in the opposite corner, on the fly, the background being green. This would be in conformity with the coat of arms of Ontario and heraldically correct. Similar flags could be struck in other provinces, with the cross of St. George or the union jack frequently appearing next to the pole.

I would like to remark that all the parties represented in this House of Commons have at one time or another passed resolutions favouring a distinctive Canadian flag. I stressed earlier that a distinctive Canadian flag is not an ensign type flag—it is certainly not a red ensign type flag. I might also have added that an ensign type flag is rated below flags like the union jack. In other words, the union jack in an ensign is in the superior position, and hence flags with derivatives of the three maple leaves, for example, would have three maple leaves in the corner and variations down below on the remaining three quarters of the flag.

All parties in this house have passed resolutions at the grassroots level favouring a distinctive Canadian flag; hence they have a responsibility to face up to this issue.

Across the country we have a variety of opinion and I think most members have received a great deal of mail on this subject. I would like briefly to break down the mail which I have received in order to give an impression of the popular response, the popular participation, in this matter.

There is a middle group of people who, I suggest, may encompass three quarters of the population, perhaps 80 per cent or more. This middle group includes many English speaking Canadians. They would like us to have a distinctive flag, a flag which would not be confused with the flag of any other country in, for example, a United Nations ceremony. Many of these people are of British origin, who are what one might say British to the core, but they are Canadians first. Many English speaking Canadians with a sentimental attachment to the union jack or red ensign have a kindly understanding of the French speaking Canadians who would have Canada's flag distinctive and purely Canadian. Many a French speaking Canadian wishes a purely Canadian flag but wants this without any venom or disrespect to the English-speaking portion of our great Canadian community. These people in my belief make up the vast majority of Canadians; I would put the figure as high as 80 per cent.

There are two other groups, distinct minorities. One has certainly earned its right to speak up for a flag, and let no one belittle its right. It includes many of the men and women who are prominent in organizations such as the Canadian Legion and the Imperial Order of the Daughters of the Empire. I think our job is to convince them that it was freedom, democracy and true British justice they were fighting for, not just for a flag. I think most of them on second thought will agree with this. They might account for 10 per cent of the Canadian public, but I doubt it.

Finally there is a small group of people who are essentially malcontents—separatists and the like. There are some French speaking Canadians who want no part of a Canadian flag which bears the union jack. They are not necessarily venomous but perhaps blind to a large part of our past.

There is a similar group of people in English speaking Canada. Its members are not very numerous but they feel very strongly that English speaking Canadians have the right, because of their majority, to dictate to the rest of the country. They are not thinking in family terms. They are not thinking of our neighbours or of relatives of other tongues as Canadians. They are thinking purely in a dogmatic fashion which knows no respect to the ideals and traditions which I believe are embodied in the union jack. Together these two small groups, this minority, if you like, of malcontents, may account for 2 or 3 per cent of the population of Canada. Their prejudices I think should be disregarded.

In view of this breakdown, Mr. Speaker, I can see little point in a national referendum. A national referendum would be overwhelmingly in favour of a distinctive Canadian flag. But what happens if we had a referendum? We have had two referendums in the history of Canada, and both appeals to the people over the heads of members of parliament have been frustrated because parliament, after the referendum results were in, refused to act and did not legislate. Hence the referendums in those two cases, in 1898 and in 1942, were purposeless.

Should we have a referendum, and the result be inconclusive? I doubt it. I think we would have a conclusive result. Hence a referendum is purposeless.

Mr. Winkler: It saves us from dictation.

Mr. Davis: Once the results of the referendum were in, assuming one were held, and parliament had acted, then I think we would have to petition the Queen to ask other countries not to use the red ensign-type flag. Otherwise we would not have a distinctive Canadian flag flying throughout the world. We would also have to petition that the merchant marine of the United Kingdom not fly the red ensign. I think our recent experience in having to refer the social security legislation in the form of an amendment to the British North America Act to Westminster is sufficient indication of the difficulties involved and its complications. As a sovereign nation we should no longer have to go through this procedure, and in order to establish a distinctive Canadian flag this would resemble the ridiculous. I have merely given this example, Mr. Speaker, in order to illustrate how difficult it would be to establish a red ensign-type flag as a distinctive national flag.

I think that a flag is something for here and now. It is something which basically looks to the future. Our coats of arms and our shields tell us of the past. We have nationally and provincially established our coats of arms. We have established our past firmly. Our flag should be more Canadian, a banner to rally the people of the country and to look ahead. I think basically it must present an idea or ideas. It is the ideas behind the flag which are important—the ideas of liberty and opportunity. This is the imaginative concept, the type of ideas, which can lift up Canadians, lift up their eyes and stimulate their imagination. It will help to unify this country, I am convinced. It will not deny our traditions. Here we have another step, adding to the emblems of the country instead of taking away from our emblems or destroying them. I believe Canadians of the future will fly United Nations flags, will prominently fly the union jack, they will fly our new national flag, provincial flags—

Mr. Deputy Speaker: Order. I regret I have to interrupt the hon. member but his time has expired.

Mr. Chatterton: Mr. Speaker, may I have consent of the house to ask the hon. member a question?

Mr. Churchill: Let him continue.

Mr. Deputy Speaker: Perhaps the hon. member should be allowed to finish his speech.

Some hon. Members: Agreed.

Mr. Davis: I was nearly finished, Mr. Speaker. I just want to drive home the point that our shield and coats of arms do indicate quite clearly our past. I think it is significant that it was Conservative governments which established these coats of arms which bring out clearly and distinctly our past. I think it is also appropriate that a Liberal government should bring in a flag which looks to the future; a living, moving thing, something which will inspire Canadians to work together to develop a national purpose. For these reasons I personally will vote both for a distinctive Canadian flag and for the union jack as one of the many flags which we, with our rich tradition, will fly in this country in the years to come.

Mr. Chatterton: May I put a question to the hon. member. Does he feel that the vote which he casts in the house for the new flag, as opposed to the flag that we have, should be guided by his own opinions or by the opinions of the majority of the people in the constituency of Coast-Capilano?

Mr. Davis: I think that my decision to vote for or against this resolution should be dictated by both considerations. I am convinced that the majority of people in my riding are for a distinctive flag. I have had at least one municipality display the new flag in its municipal offices. I have had it flown in many other parts of my riding, and I am convinced that if there was a plebiscite type vote in my riding today it would show at least two to one in favour of a distinctive flag, even though there is little knowledge yet of the traditions and background of this distinctive flag.

Mr. Chatterton: A supplementary question. If the hon. member is so sure that there

would be two to one in favour in Coast-Capilano—and it must be an extraordinary riding in British Columbia—why would he not agree that a plebiscite would determine the question?

Mr. Davis: If I believe that the members of my exceptional riding already favour a distinctive flag by a great majority I am also convinced that this is a wise step for the country to take, and I have no doubt as to how I should vote.

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, no subject comes home more closely to the heart of a people or appeals more clearly to the intelligence of its citizens than the flag—its traditions, its history, its "prestige", its many and vital meanings.

On taking part in this debate I do so fully realizing that this past few days on the radio and in the papers, certain people have suggested that debating this issue is hopeless and wasting the time of the house. Sir, I suggest to you that no one knows this better than the Prime Minister himself and those who are helping to engineer and steer the passage of this resolution through the house.

I do not believe there has ever been an issue which has been so cleverly conceived by a government, knowing that it can win the vote in the house with certain members of the opposition playing a most important role and acting in co-operation with the government. The suggestion that parliament should make the decision is only another concealment, because these same proponents of the new flag know full well, if they let the people of Canada vote on this issue, what the result will be, and that they with their lust for power and dictatorship will receive in full measure the decision of the people.

Some days ago, the Prime Minister stated that only on two previous occasions had a plebiscite been carried out in Canada, once in 1898, on prohibition, and again in 1942, on conscription. I say, sir, that this, too, would be a plebiscite on prohibition brought on by a government drunk with power and certainly increasingly prone to dictatorship.

Also, when the Prime Minister introduced this resolution he stated that the red ensign was not acknowledged until the second world war; again, apparently the Prime Minister misinformed the house. I would like to read an extract from the Peterborough *Examiner* on this point; it has been referred to already by the hon. member for Victoria (Ont.) but I know there are some hon. members here in the house today who were not present at the time he read it. It states:

> In 1900 the Fenian raid medal was struck carrying the red ensign. This was the first Canadian military decoration to be presented veterans by the government of Canada.

A few minutes ago a speaker who has now resumed his seat said that one of the reasons he was against the red ensign was because it was not distinctive. It is evident he could not have heard the hon. member for Battle River-Camrose (Mr. Smallwood) last night when he spoke about certain other flags. I should like to refer to page 4967 in yesterday's *Hansard* when the hon. member for Battle River-Camrose said:

> Hon. members opposite are concerned because the red ensign may be confused with the British merchant navy flag. I should like to refer to "Flags of the World" by H. Gresham Carr which I obtained from the parliamentary library. On turning to page 190 reference is made to the flags of the Soviet union. There appear to be a lot of flags in the U.S.S.R., and this is what is said about the merchant flag of the U.S.S.R.:
>
> "The ensign is white, and has a light blue border one sixth the depth of the hoist along the bottom of the flag. In the white portion are the star and crossed hammer and sickle in red—"
>
> I suggest that this proposed flag of the Prime Minister is not distinctive from any other flag. We want to destroy our red ensign because it is the symbol of the British merchant marine and replace it with a flag with the white background, the blue trim and the red of the Soviet union.

The nub of the flag controversy seems to be the use of the union jack. Those who object to the prominence of the union jack do so because they feel it denotes subordination to a sovereign power other than Canada. I feel however that the union jack is much more than a flag of England or the United Kingdom. The truth is that it never was the flag of England alone. It incorporates what used to be England's standard, but it is made up of various traditions. Long ago, from Normandy, France, we brought the crusaders' emblem, the cross of St. George—England's patron saint—and it became the banner of the kingdom centuries later. Scotland and England were united under the Stuarts. Thus, the cross of St. Andrew—Scotland's patron saint—was linked to the standard of St. George, and as a result of a flag with two crosses came to represent the United Kingdom. It was this flag which flew over Quebec when the treaty of Paris was signed in 1763, and when the Quebec Act was passed. Years after, in 1807, as a matter of fact, when Ireland joined the union, the cross of Ireland's patron saint—St. Patrick—was added.

Thus the union jack appeared. It was never the banner of a single country. From the be-

ginning it stood for "united nations". It was the flag of the United Kingdom and Ireland. With the expansion of the British empire went the union jack, carrying in its wake civilization and Christianity. It represents countless blessings to humanity.

The union jack is the symbol of our freedom maintained. It tells us of our explorers, reformers, and colonizers sailing the oceans of the world to bring Christian civilization, justice and liberties, the pioneering instinct, the benefits of science and a great literature, to the far flung corners of the earth.

French Canada, under the shield of the crown, was never held subject or kept servile, but carried on in the enjoyment of her ancient faith, customs, and language, and received its Magna Carta in the Quebec Act; and we have prospered and flourished into nationhood with the statute of Westminster in 1931.

Today the union jack speaks to us and our world neighbours of the commonwealth in a much broader way. It is the emblem of a free family of nations in which Canada is regarded as the mature daughter. What an example this family gives to the rest of humanity, and particularly to the United Nations organization. Do hon. members recall the conference of the commonwealth prime ministers in London at the coronation—a conference which had no treaty shackles, no rigid agenda, and no cold formality? It was a family gathering. Around that conference table sat a group of spokesmen for hundreds of millions of people of all races, colours, and creeds, drawn together by an act of faith and by the mysticism of the crown.

With Canada's active and predominant role in that commonwealth conference, and in world councils, there is no evidence that her right or power has been subordinated to any other sovereign power. Yet there is a segment of our population who apparently have an inferiority complex and believe themselves to be a servile race held in subjugation by another sovereign power, and are vassals. In the strange aberrations of their minds, they imagine that by the removal of the union jack from our flag they will be released from a mythical yoke.

One does not have to be of British origin or British in outlook to appreciate the British institutions of freedom. Distinction is something that is earned; culture is something that time creates. You do not build a culture trying to destroy another one or by trying to deny that another one exists. You give free vent to all worth-while cultural influences. We are what we are today because of these ideals and institutions, which have given us both distinction and culture.

It is the spirit we want, something we feel yet cannot touch. We have ridden through nights of a thousand perils and the spirit is still strong within us. The symbolism of the union jack is spiritual. It is something above and which should be above all politics. It would be a pity if there were no nation on this continent to carry the union jack on into the future and, with strength and vitality, to give it the prominence it so justly deserves.

In searching for a distinctive national flag for Canada there is much to suggest that we have such a flag in the red ensign, which has become recognized as a symbol of Canadian autonomy within the British commonwealth of nations. Flags, as symbols of the deepest emotions of a nation, arise from the hearts of the people and not from formal edicts of a parliamentary body. Certainly our Canadian way of life, rooted and grounded in the British parliamentary institutions, can be symbolized in no better way than by a flag which is rich in spiritual content and features prominently that which only flags in the British commonwealth possess, the Christian concept. The cross of St. George, the cross of St. Andrew and the cross of St. Patrick are symbols of our redemption. This flag, with the three crosses of Christianity flying on the four winds of the Canadian heavens, will wave us forward along that difficult path to the universal communion of the brotherhood of man. It is emblematic of the source from whence our greatness came.

Much has been said on the other side of the house about the correspondence that members have received from constituents and I should like to take five minutes to read into the record some of the correspondence I have received. Here is a letter from Winnipeg:

Dear Sir:

Please keep fighting for the red ensign. This issue will profoundly affect future Canadian generations and our whole place in the world. A recent poll taken by the *Free Press* here, whereby readers sent in a form from the paper stating their preference in the flag matter, showed over 60 per cent for the red ensign, 30 per cent for the new flag design, and the rest undecided.

I have here a letter from Mr. Donald Welch of Toronto which reads in part as follows:

Since good will and fellowship always make for unity, and unity is paramount for Canadians and Canada, we believe the issue should not be made into a political football to be kicked around by politicians whose actions sometimes make us wonder whether they respect or give a damn for our feelings and desires. We therefore say the flag issue should not be made a political one in the

House of Commons. Each member must vote as an individual free from party politics. His own conscience as a patriotic Canadian seeking to do what is best for unity of Canada should be his only consideration and guide.

We do not believe in rushing tactics but the taking of plenty of time and consideration, keeping in mind that at all times the only successful conclusion that can be reached will be based on fairness and acceptableness to all groups. Newspapers and radio news and television commentators could be of real help in keeping our unity if they would co-operate, too.

This letter is from a retired professor and reads in part as follows:

I beg to submit a point that might be of some use in debate. The government is to be congratulated on their choice of a flag. Since it contains absolutely nothing that is British, it can be used without any change when our country becomes the republic of Canada. The Prime Minister with his great wisdom has probably considered this advantage.

Here is part of an editorial from the Peterborough *Examiner* which for two or three years now has been acclaimed one of the top newspapers in Canada by reason of its editorials:

Will Prime Minister Pearson be so misguided as to make the life of his government conditional on the acceptance of a new national flag? It is possible. If he does, and goes down to defeat, it will be difficult to muster any sympathy for him. Important though a national flag may be, it is not a suitable excuse for destroying the elected government of Canada.

Here is an excerpt from an editorial in the Winnipeg *Tribune* on June 6 last:

There seemed to be a deliberate policy of rooting out little by little distinctive terms and designations that bound the nation to its past. Years ago Dr. Eugene Forsey asked: "Where is it all going to stop? Are we going to wake up some morning and find ourselves citizens of the republic of Canada? It looks like it. But I think there are a lot of people who don't want it."—

The people of Canada have the right to ask this question and to expect an unequivocal answer from Mr. Pearson and his advisers. Is the Liberal party dedicated to turning this country into a republic?

I also have a telegram from the president of the Royal Canadian Legion endorsing the red ensign and asking all members to support it. I have a letter from a group of people in Toronto reading in part as follows:

The undersigned feel it is about time that some voices were heard in favour of our red ensign, which the vast majority of the people of Toronto respect and fly as our national flag. Why a change should be proposed by Mr. Pearson to appease a small but vocal group we cannot understand.

I have another telegram from the dominion command of the Royal Canadian Legion assembled in convention at Winnipeg. I also have a newspaper article reviewing the results of a poll taken by many newspapers across Canada. The headline is, "Ensign Takes Big Lead in National Flag Poll". The article reads in part as follows:

Toronto is backing the ensign more than five to one, with *Telegram* readers favouring it 12,838 to 2,530.

I have a letter from Rockcliffe park, Ottawa, reading in part as follows:

It is the kind of flag one would expect a minor dictator, having recently conducted a successful revolution in a small mid-European or South American state, to produce to a conquered nation with a view to wiping out any past heritage they may have enjoyed.

I have a letter from another branch of the Legion. Incidentally, some of these letters from branches of the Legion are from branches in ridings represented by members on the other side of the house who have said in their speeches that their people endorse the new flag. This one is from Trenton, Ontario, and reads:

Dear Mr. Webb:

I have been instructed by the executive council of branch 110 of the Royal Canadian Legion, Trenton, Ontario, to communicate the following to you: Trenton Ontario branch of the Royal Canadian Legion request your support of the red ensign.

That letter is signed by W. Lawson, secretary. Then I have a letter from a Mr. Vincent of Sydenham, Ontario, and I will read the first paragraph:

I feel very strongly that the Canadian red ensign represents so much common sacrifice that I cannot sit idly by and see some other flag forced on us by any minority group.

This letter is from the Hastings county black chapter and reads:

Hastings county black chapter passed a resolution at their annual meeting last night in the Orange hall Madoc very strongly protesting any change in the flag and also the national anthem.

This letter is from Mrs. Clancy of the town of Harold, Ontario:

I have been instructed by the members of Wellman's women's institute, north Hastings district, to express to you our desire to have, as the official flag for Canada, the red ensign with the union jack in the upper corner next to the mast and the dominion coat of arms in the field.

This next letter is from an old, respected citizen, a man who has devoted much of his time and talent to the needs of Canada. He says:

You may tell John Diefenbaker and the other parties not to press Pearson too hard, but for him to pay out the rope and eventually Pearson will hang himself, and then he will be hung for a long while.

This letter is from the zone commander of nine branches of the Legion, including Kings-

ton, endorsing the red ensign. I have many other quotations here, Mr. Speaker, but I should like to read this little article. I am sure it has not been put on the record. It is entitled, "Leave Our Flag As Is". I quote:

There's a lot of fuss going on—again—these days about a Canadian flag.

Just whatinell's the matter with the flag we have now?

It's the flag under which Canadians fought in the past to keep today's Canadians free.

If it weren't for that flag, and what it stands for, the people who are yapping like miniature dogs who never will grow up surazell wouldn't have a chance to say anything about a flag nor anything else.

Canadians—real Canadians—are proud of our flag; proud of our young men, and young women, too, who fought under it and at times in front of it. Today's Canadians—real Canadians—look with pride on the sacrifice made by 100,000 of their number who died for what that flag stands for—freedom.

All this nonsense about the "English" flag makes me sick. It isn't England's flag. It's Canada's flag. It's representative of all of Britain, not just England; and of all Canadians.

Why ignore the French? We aren't. We are treating them as Canadians. Some million Canadians, and more, got into uniform to preserve freedom for them, as well as the Canadian-British, and all the other ethnic groups in our country.

If the Canadian French don't want to be treated the same as other Canadians, be they British, Ukrainian, Dutch, or what have you, that's their fault.

Now, Mr. Speaker, on two occasions I announced over the radio in my own riding that I had not received a single letter from my constituents in favour of the new flag. These announcements were made in order that people, if they so wished, would write me expressing their views on the flag issue. Even yet, Mr. Speaker, not one letter have I received from a constituent in favour of a change in the flag. I must say, however, that in the past few months I have received thousands and thousands of letters and names on petitions requesting that the government retain the red ensign as Canada's national flag.

In my own opinion, Mr. Speaker, the true number of names in favour of the red ensign has not been given to the Prime Minister (Mr. Pearson) or I am certain he would not have proceeded with this resolution. Just the other day, sir, I attended the funeral of a veteran of world war II. On this soldier's casket rested the red ensign, the flag that he lived for and the flag that he died for. After the funeral, I was talking to his three sons, two living in Toronto and one in my own riding. They remarked that throughout their lives they and their parents had always been supporters of the Liberal party. However, if Mr. Pearson forced this flag issue, never again would they cast a Liberal vote.

I say to the people of Canada that the Prime Minister has betrayed the boys with whom he fought. He has betrayed the 100,000 Canadians who gave their lives. He has betrayed the boys that were fortunate enough to return home. He has betrayed the Royal Canadian Legion, the daughters of the empire, many women's institutes, municipal councils, municipalities and thousands upon thousands of Canadians who have spent their money and their time making representations for the retention of the red ensign as Canada's national flag.

Surely, Mr. Speaker, the just manner in which to deal with such an important issue is by referendum; let the Canadian people decide this issue. If such a vote were carried out, I am certain that all parties would be united in carrying out the verdict of the electorate.

In closing, Mr. Speaker, I want to say that time is running out. One is reminded of the fact that whom the gods would destroy they first make mad. This situation stems from the selfish lobby for control under which liberty becomes licensed and responsibility is replaced by self-consciousness; the welfare of the greatest number is prostituted to the pressures of the few. In this direction lies madness and death. This is not the way of democracy in which the few sacrificed self for the welfare of the many, when the spirit of sacrifice gives birth to liberty, freedom and trust, out of which grows the greatest good for the greatest number. Surely this is the way of life, liberty and peace.

Mr. Habel: I wonder if the hon. member will allow a question?

Mr. Webb: The member in the corner wanted to ask a question and I agreed if I had time.

Mr. Habel: The hon. member knows well, and will admit, I am sure, that the red ensign was flown on all federal buildings after the order in council was passed replacing the union jack. Can the hon. member tell this house in what year the union jack was replaced by the red ensign on provincial buildings and schools in Ontario?

Mr. Webb: The hon. member's own prime minister proclaimed the red ensign the national flag of Canada in 1945. I can assure the hon. member that the province in which I live will always be proud to fly the red ensign on any school or public building in the future.

Mr. Habel: I am asking the hon. member in what year the provincial government replaced the union jack with the red ensign on schools and provincial buildings?

Mr. Webb: I would advise the hon. member that in Ontario there are no restrictions. The province of Ontario, and its leaders, want to fly either the union jack or the red ensign on any building at all times.

[*Translation*]

Mr. Pierre-André Boutin (Dorchester): Mr. Speaker, I should like to point out one thing to the hon. member: if, for many of you Conservatives the choice of a Canadian flag is a matter of sentiment rather than one of common sense and if, as English Canadians you want to keep the union jack, what would you say if we French Canadians, were asking, out of sentimentalism, that the French flag become the Canadian flag? As for me, I must say that being French Canadian, if I am not responsible enough to let go my mother's apron strings, I would rather be tied to the apron strings of my real mother, that is my motner country.

[*Text*]

Mr. Webb: I want to thank the member for that question because I intended to deal with that but I did not have time. I think we should retain some of our heritage. That should be left with us. I mentioned that in two or three paragraphs. That is what we would like. If you people in Quebec feel you want to get rid of your heritage and want nothing to do with your forebears, the people who built up this country, I can tell you we do not feel that way. We are proud of our forefathers and our heritage.

Mr. Grégoire: By heritage do you mean our Canadian heritage or foreign country heritage?

Mr. Pugh: Canadian, you stupe.

[*Translation*]

Mr. Herman Laverdière (Bellechasse): Mr. Speaker, during the few remaining minutes, I should like to make a few comments in support of this resolution, a support which reflects the attitude and conviction of the majority of Canadians about the adoption of a national distinctive flag.

I consider as a great privilege to support that resolution on behalf of my constituents. I also believe that the majority of the Canadian people are eagerly waiting for a distinctive national flag which will not be confused with any other flag throughout the world.

At the present time, Mr. Speaker, we live historic moments which will certainly etch the future of our beautiful country; the adoption of a new distinctive flag will show all the people of the globe, and in no uncertain terms, the sound determination of the Canadian parliament to take all the necessary means so as to be recognized everywhere as a mature nation, united and capable of self-government, able to command respect and provide for the welfare of its people, regardless of their ethnic origin.

Much has been written since the right hon. Prime Minister (Mr. Pearson) introduced this resolution on June 15 last; comments ranging from one extreme to the other, appeared in the newspapers. Even though I was only able to ascertain part of the views held by the main Canadian journalists, I think most of them are in favour of the prompt passage of this resolution.

However, I am more interested in the opinion of the average citizen. It is easy to realize that almost everybody, the young and the old, are greatly interested in the resolution. I find that most people were certain the resolution would be passed with a minimum of discussions and the majority wonder why this discussion must drag on for so long. I am happy to note that the younger generation especially, in every social class, is more interested in this resolution than in any other legislation now before the house. It is the most discussed subject among young people.

As a matter of fact, here is what a 12-year old boy told me in substance: When this resolution was introduced, I looked right away into my encyclopaedia to find out what emblem represented Canada; I saw the red ensign but that emblem is not a distinctive flag.

I feel that the interest shown by the people is a clear indication of the deep attachment each Canadian feels for his country; they show in their remarks that Canada is no longer, and has not been for a long time, a colony but is instead a free and autonomous country. For those reasons, the people favour the adoption of emblems which are typically Canadian and cannot be identified with those of any other country.

In my opinion, we have maintained long enough certain colonial ties which are humiliating for all those who believe in our country's maturity and independence; it is humiliating to be identified throughout the world by an emblem which is nothing but

a replica of the British merchant navy's; it is humiliating to be obliged to go to the British government to amend our own constitution; it is humiliating for all Canadians who have faith in Canada to see the word "British" so often linked with the word "Canadian"; it is humiliating to be identified still as just a part of the British empire; it is humiliating not to be now just plain Canadian citizens.

Many seem to promote the retention of the red ensign because large numbers of Canadians fought gloriously under that flag during two world wars. Yet, if you question some of those gallant citizens who risked everything on the front, it is obvious that the red ensign meant nothing to them and that most regiments had to fight under the union jack, the flag of another country.

Our courageous soldiers did not risk or sacrifice their lives for a symbol but to put an end to the unscrupulous domination by a people who were considered by their leader as superior to all other men, a racial superiority which does not exist in Canada more than anywhere else. It was mostly for the cause of freedom that Canadians accepted to fight and die in large numbers on the battlefields of Europe.

[*Text*]

The Acting Speaker (Mr. Batten): Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills and private bills.

CANADA ELECTIONS ACT

AMENDMENT TO REDUCE AGE OF VOTERS

Mr. Reid Scott (Danforth) moved the second reading of Bill No. C-42, to amend the Canada Elections Act (age of voters).

He said: Mr. Speaker, the purpose of the bill which I have introduced to the house is very simple. If carried, it would reduce the voting age in Canada in federal elections from 21 years of age to 18 years of age. This measure is one upon which I do not intend to say very much, because it is a measure that has already been approved unanimously by the privileges and elections committee of this house. Last November the committee, although it has not as yet reported, unanimously approved an amendment of the act for this purpose; and of course in the house the Prime Minister (Mr. Pearson) in response to a question of mine last fall said, "This party"—that is, the Liberal party—"has been committed to the reduction of the voting age to 18 years for some years, and we are anxious to see that it is done as quickly as possible".

[Mr. Laverdière.]

Therefore I introduced this bill in order that this change, which all parties in the house appear to agree unanimously is desirable, can be brought into effect without the necessity of waiting until the privileges and elections committee reports on the far more extensive changes that they are making to the Elections Act. The bringing into effect of this bill would add approximately 800,000 new voters to the rolls. If carried over until the next election, it would add approximately 1,100,000 to the election rolls.

An hon. Member: That depends on when the next election comes.

Mr. Scott: As one hon. member has just said, that depends on when the next election comes. But in any event, Mr. Speaker, it would add a very substantial number of voters. It is interesting to try and trace back to the origin of the idea that 21 years of age is the magic age at which young people pass from adolescence into adulthood. My analysis shows that this is a medieval belief. The idea of 21 years of age as the magic age for adulthood dates back to medieval times; it dates back to the days when the serfs were allowed to farm their own land at the age of 21. From that time stems the custom that has been perpetuated down through the centuries. It seems to me, Mr. Speaker, it is time to get rid of some of these medieval customs that we perpetuate and bring them up to date and in line with the twentieth century.

I think it is a truism to assert that young people today 18 years of age are far better equipped to take part in public life than were the medieval serfs of centuries ago. Our young people today grow up in an entirely different environment. Attendance at school is now compulsory, and although our school curricula are very lacking in training in political and public matters, there are courses which equip our young people to take part in public life. Travel today is very swift and simple. Radio, television, newspapers and all the methods of communication and dissemination of news are very widely used on our young people are constantly exposed to current events and things that are taking place in the community. Therefore I think the 18 year old of today is far more knowledgeable than was his medieval ancestor and certainly ought to have the right to participate in voting for a particular government.

At 18 years of age, of course, one can marry without consent and can have children. At 16 years of age one may drive an automobile, which is potentially an instrument of death. If our young people 18 years of age are married and earn high enough incomes, we grant them the privilege of paying income tax, along with all the other people of this country, and their children receive the benefit of many welfare measures over which they have no control. I think the real basis of our concept of democratic government is that the greatest possible number of people who are going to be governed ought to participate in the method of choosing that government, as long as they are able to do so intelligently. I think this might encourage earlier voting habits, and perhaps these voting habits would be carried over into their later years.

This is interesting to note, Mr. Speaker. In making this change we timid Canadians need not really be worried that we are doing anything terribly radical or anything terribly different. In our own country, of course, we have examples of the voting age having been lowered. In the province of Quebec the 18 year old can vote, and this is also the case in Saskatchewan. British Columbia and Alberta both have the vote at 19 years of age. I happened to get in touch, with the help of our Canadian officials, with the United Nations and obtained an analysis of the countries in the United Nations which have already brought into effect legislation granting the vote to persons 18 years of age. There are some 32 countries in which the 18 year old can vote. So, as I say, Canadians would not be doing anything very spectacular, anything very different or anything very radical, in accepting this proposal.

The house might be interested to have these countries on the record. The following countries have the 18 year old vote: Albania, Argentina, Bolivia, Brazil, Bulgaria, Byelorussia, Burma, Ceylon, mainland China, Costa Rica, Czechoslovakia, the Dominican Republic, Ecuador, Guatemala, Honduras, Indonesia, Israel, Mexico, the Mongolian People's Republic, Nicaragua, Pakistan, Paraguay, Poland, Rumania, Salvador, South Africa, Ukraine, Uraguay; Georgia, Kentucky and Alaska in the United States; the U.S.S.R., Venezuela, Yugoslavia, the Central African Republic, Congo, Brazzaville; Hungary, Iraq, the Ivory Coast, Laos, Ruanda, Somalia, Syria and South Viet Nam. Therefore, as I say, this practice has spread very widely in the world and it seems to me that a highly educated country like Canada ought to be prepared to adopt it. It is interesting, also, that in the United States a presidential commission appointed by the late President Kennedy has recommended that the 18 year old vote be put into effect in that country. This would add 9 million young Americans to the voting lists.

I should now like to deal with some of the arguments that are advanced against this proposal. The first is that the young people themselves do not want the 18 year old vote. One cannot find any evidence in support of this proposition; in fact, the evidence is all to the contrary. In a very interesting report prepared by an eminent member of the press gallery, Norman DePoe, and published in *Weekend Magazine* of April 11, 1964, this matter was dealt with. He reports on a survey conducted by *Canadian High News*, a paper with a circulation of 120,000 in our secondary schools, in which our students were asked the question as to whether the 18 year old should be given the vote. Sixty nine per cent voted in favour of this proposal. Several television programs have dealt with this matter. The C.B.C. program "Inquiry" conducted a survey and obtained roughly the same percentage in favour of it. So it is quite clear, Mr. Speaker, that these young people do want to have the vote and do want to participate in the choosing of governments and approving or disapproving of government policies.

It is also sometimes suggested that these young people are not adequately prepared for and are not ready to have the vote. It is argued that their level of judgment and their knowledge of public affairs is not as high as that of their superiors, their parents, and that therefore they should be deprived of this vote. But the Canadian peace research institute, in trying to evaluate the importance of this matter and obtain the opinion of all sections of the population, conducted a very carefully prepared and precise investigation. They put a series of what they called knowledge questions to a section of the population from 18 years old, up. After it had been analysed and interpreted the report said that there were no significant differences between the teenage and adult samples on the eight knowledge questions. So that any precise examination that has been made of this young age group indicates that they are as adequately trained and prepared as the older groups.

I do not want to go into this at any great length because I think it is clear that

throughout the history of voting every time the right to vote has been extended to another group in the community it has strengthened and improved popular government. It is also clear that the young people of today have every right to vote, that they are capable of voting, that they want to vote and that they would make a valuable contribution to the general good of our democratic system.

For the benefit of my Liberal friends the survey to which I referred showed that 93 per cent of our young people are in favour of "O Canada" as our national anthem. If hon. members opposite want to add a very large group of ardent supporters to their cause they had better bring in the 18 year old vote as quickly as possible.

I will not go any further into this point. As I said at the beginning this is a measure which has been unanimously supported by all parties in the house, and therefore it would be my hope that we would not talk this measure out or refer it back to the committee which has already approved it. I hope we might be able to pass it tonight and to make these young people eligible to vote at the general election everyone talks about as coming this fall.

Mr. Joseph Macaluso (Hamilton West): Mr. Speaker, I should like to add a few remarks to those of the hon. member for Danforth (Mr. Scott). I should like to align myself with his remarks. I am in favour of lowering the voting age to 18 years. As the hon. member stated, on Thursday, November 14 of last year, the standing committee on privileges and elections unanimously endorsed an amendment to section 14 of the Canada Elections Act to reduce the voting age from 21 to 18 years. Therefore, the 18, 19 and 20 year olds would be included and this would introduce some 750,000 to 800,000 new electors to the voting roll.

It may be fairly predicted that before long Canadians between 18 and 21 years of age will have the right to vote both in provincial and federal elections. This trend has already begun and its impetus is increasing. In the province of Saskatchewan the voting age is 18, in Alberta it is 19, in British Columbia 19, in Quebec it is 18 and in Newfoundland it is 19. In Manitoba it is interesting to note that the majority opinion of civic and provincial government officials supports 18 years of age as the voting age. The Winnipeg city council by a majority vote decided to ask the provincial government to change its city charter so that 18 year olds could vote in civic elections. Premier Robarts of Ontario has indicated that he will take similar action and give the franchise to 18 year olds in Ontario in time for the next provincial election.

In the province of Prince Edward Island the government has given an undertaking to amend the voting age in the province to conform with any change which is made in federal legislation.

As the hon. member for Danforth said, a move is afoot to lower the voting age in the United States for federal elections to 18 years of age. The President's commission on registration and voting participation which was set up by the late President Kennedy recommended to President Johnson on December 20, 1963 that all states consider dropping the minimum age for voters to 18 for state and federal elections.

Some people argue that the proposed step would mean the ruination of Canada. They say that the 18 year olds are not mature enough politically or otherwise to cast an intelligent vote. I think differently. The case for giving 18, 19 and 20 year olds the vote is realistic, sound and can stand on its own merits.

What are some of the arguments against lowering the voting age? First of all, it is said that an 18 year old's judgment is not as good on the average as it is at 21. I think this can be contradicted on many grounds. Second, it is said that the old-enough-to-fight argument is emotional because military standards are based on physical fitness and ability to learn, not on political awareness. Third, it is said that young drivers are more irresponsible; but some of the adults I have seen driving are more irresponsible than any person I have seen between the age of 18 and 21. Fourth, it is argued that the public should not be taken in by the aging platitudes of the political opportunists. Fifth, it is argued that under 21 years of age voters would not know what they were voting for, or would vote as society expects them to vote. I submit that this is a ridiculous argument.

It is interesting to note that the young Progressive Conservatives and the Progressive Conservative student federation voted against lowering the voting age. It is also interesting to observe that at the time the vote was taken at the meeting of February of this year there were not too many present, so perhaps that is one of the reasons for the vote. Many of the young Progressive Conservatives in my riding to whom I have spoken were in favour of lowering the voting

age. It is also interesting to note that in a statement which I read Mrs. J. J. Henderson, the secretary of the Winnipeg South Centre Progressive Conservative women's association, stated in a resolution which was passed that "Young people are not fully informed and don't give enough thought to politics". That is another argument against.

Then it is argued that few of them pay taxes or own property, which is another argument against lowering the age, because it is said that they would not use their ballots with the sober responsibility of someone with a stake in the community. Another reason against is because the vast majority could not care less about government and political affairs. I disagree with this. The last argument which is made is that the new electors may be pulled in a radical direction, and there is good reason to believe that by and large this would be disproved.

Nevertheless the arguments in favour of the extension of the voting age to 18 remain strong. The advantage of reducing the voting age is manifest. For example, it would directly involve these young people in the country's affairs. Given a direct voice in their country's destiny at an earlier age they could be expected to take an even greater interest in the nation's life than they do now, which would be all to the good for it would mean an extension of the democratic process.

I should like to give a short quotation from the Toronto *Star* for February 20, 1964, which reads as follows:

> There is every reason to encourage young people to accept this basic obligation of citizenship at a time when its importance might be impressed upon them as part of their education.

I submit, Mr. Speaker, that hundreds of thousands of young people finish high school at 18 and begin to earn their own living. At 18 they come into the armed forces. At 18 many of them participate actively in politics and political parties. Political clubs at universities are now flourishing as seldom before. In fact when I attended university not too long ago it was unknown to have a political club of any party. Today there are many active political clubs at universities, and there are many mock parliaments not only at universities but in our high schools.

An 18 year old today is probably better informed and more interested in government affairs than are some of the parents of today. Today's higher standard of education has seen to that. The proportion of people with a high school education has greatly increased. Enrolment at universities of young people between 18 and 21 years of age is growing each year. Less formal education, such as television and radio, is also bringing about a much earlier maturity. Improved educational facilities and wider experience are very good reasons for lowering the voting age. In maturing earlier, young people are taking an earlier interest in the political life of Canada, a political interest which must not be allowed to dissipate.

It must be captured, in the hope that it will be retained for life. Cited as the major argument for 18 year old voting by the United States presidential commission was the belief that by the time young people reach 21, they are—and I quote—"so removed from the stimulation of the educational process that their interest in public affairs has moved." It is in the late teens that an enthusiasm for political affairs often manifests itself; it is important for Canada that this be developed into constructive channels.

The right to vote is a valuable asset. It may help to crystallize an interest, to confer a sense of responsibility, and to give a better appreciation of the significance of the political process. Lowering the voting age is unlikely to bring any harm to the country. It would, rather, be taking advantage of assets of interest and enthusiasm which should have a helpful influence on Canadian political life. Whatever might have been true a few decades ago, today the great majority of young people have a degree of responsibility and of knowledge which would have been unknown to their parents until much later in their lives. A young person would be more inclined to turn out at the polls than his parents in response to the honour and responsibility he or she would feel on being given the franchise; he would probably shame his parents into going out to vote, too, since many of them now neglect to exercise their franchise.

With modern standards of education, most 18 year olds are much better prepared to vote than most of their grandparents were at 21 years of age. Andrew Robertson, chairman of the Winnipeg school board says—and I quote: "I have read some political essays written by high-schoolers and they show a better appraisal and understanding of government issues than their apathetic elders do." There is no reason to believe that Canada's young people are not mentally and emotionally equipped to vote at 18. It is significant that anyone serving in the armed forces, whether at home or abroad, is now entitled to vote in a federal election regardless of age

and that he retains his voting rights on discharge even though he is still under 21.

A great many people in this country and elsewhere believed that the world would go up in smoke if women were ever given the right to vote. That is what they thought, but of course the world is still going on. If young Canadians were given the right and privilege of voting in national elections they would see it as an opportunity and as a challenge. And if they take, as they are now taking, an active part in politics they can make a substantial contribution to the Canadian democratic process. Canada is a nation of young people. Half the population is under 25 years of age and an estimated 67 per cent are younger than 40. In national elections young people can bring to bear a more objective, more detached and less self-interested judgment on party politics. Adoption of the lower voting age would recognize the increasing interest now being shown by Canada's young people in political activities. Participation by the younger generation in political affairs is symbolized in the makeup of this present parliament. The average age of members is somewhat lower today than the average age only ten years ago.

We should encourage our young people to take an earlier interest in public affairs for they will be the people responsible in the decades ahead for the maintenance and operation of our democratic institutions. As I stated earlier, the case for giving 18, 19 and 20 year olds the vote is realistic and sound and can stands on its own merits.

It is interesting to note that a move in this direction will not affect the course of the ship of state, since the provinces of Saskatchewan, Alberta, British Columbia and the others I mentioned earlier are still on solid foundations. It has not resulted in any dire consequences and I submit we should be realistic about the situation in which our young people find themselves. We give them every right except the right to exercise their franchise. The argument is often brought forward that legal responsibility is not recognized under the age of 21. I happen to be one of those who believe that legal responsibility might well be applied to young people at the age of 18, too, because more and more of these people are taking on commitments and increasingly it appears to me they should be legally responsible for them. However that may be, I endorse the remarks made by the hon. member for Danforth (Mr. Scott). I wish to support the lowering of the voting age from 21 to 18 and to recommend to this house that it should either pass the bill or refer it to the standing committee on privileges and elections for reconsideration, since it has already unanimously approved an amendment to section 14 of the Canada Elections Act. Perhaps it might be wise to wait until that report comes forward, but I sincerely hope the house will support the stand being put forward this afternoon, because all parties represented on the committee supported the reduction of the age as recommended.

Mr. G. H. Aiken (Parry Sound-Muskoka): I cannot quarrel in any way with the statements made by the two previous speakers in setting forth reasons why the voting age should be reduced to 18. All those reasons are valid. Furthermore, there is very little which can be said against reducing the voting age I cannot put forward an argument which has often been used in the past, because I think for example that a person who is 18 may be just as able to cast an intelligent vote as a person who is over 21. I agree with these views, yet I am not convinced we should reduce the voting age.

If this bill had been brought in a year ago I would have supported it because I could see no reason to object to it. But there are some basic questions which have been brought up today and which I think we should consider. I think one of the most important was summarized in a statement made by the hon. member for Hamilton West (Mr. Macaluso) when he said: It can do no harm. I think these were the words he used. Over the years, the right to vote, particularly in a national election, has been very jealously guarded. In the early days, going back even to Roman times, the right to vote was severely restricted. Down through the years it has been extended and on occasions this extension has come about because a group of people who wanted to vote went out and worked for it. We know that in the early days lack of social or economic status was a barrier to the right to vote. People in a state of slavery or servitude were, of course, never allowed to vote. Eventually such people were released and all adult males were permitted to vote. Much later, as has already been mentioned, the women's vote was brought in. We can all remember the history of the great battle which went on for the right of women to vote in the United Kingdom and in Canada. This was a right which was fought for and won, and rightly so. This was the second great move forward in this field.

I assume the hon. member for Danforth in bringing forward this bill has evidence that the time is ripe for the third stage in the extension of the franchise, that is, the stage of reducing the voting age. But the difficulty that I see, and I have tested this to the best of my ability, is that the young people do not really want the vote.

Some hon. Members: Yes.

Mr. Aiken: My friends can make their arguments and I hope they will, but I have never seen a parade of students asking for the vote and I cannot say I have ever heard of one. Certainly no evidence was presented today of any great desire for the vote.

Earlier this year, as has already been pointed out, a group of members of the young Progressive Conservative student federation had a discussion on this matter. I was present along with several of my colleagues. I told them that if they really wanted the vote and felt that the young people of Canada generally wanted the vote and were interested in it we were prepared to support them. That particular group was not prepared to ask or press for the vote in national elections. They voted against doing so. I know the hon. member for Hamilton West was not there, and I was, but I do know that there was a good deal of discussion and feeling at the meeting.

An hon. Member: Let us have a referendum.

Mr. Aiken: I think not.

Mr. Macaluso: Would the hon. member permit a question? Would he tell us how many were there?

Mr. Aiken: I do not know how many were there or how many voted, but I do know that the recorded vote was 21 against and 6 in favour. I know that many did not vote on the resolution and that on another occasion to which I am coming the same thing happened. A large number of the young people did not vote because they said they did not care, that it meant nothing to them at all.

Before this rather shattering experience I thought I and my colleagues were really doing something for the young people of this country in supporting their request for the vote, but then I really got a shock when I found that they did not want it. Then I started to think about when I had ever heard of a request from a young people's group to reduce the voting age to 18 and I could not recall that there ever had been such a request.

However, Mr. Speaker, since this matter had been raised and discussed in the committee on privileges and elections I decided that I had better find out what the young people of my own riding thought. So I conducted a series of discussion groups. One was at the Parry Sound high school. I was asked to come and discuss the matter because the students there had indicated some interest in it. It was a perfectly voluntary arrangement. There was a substantial turn-out of the students and as best I could I put to them the arguments for and the arguments against which we hear in this house and elsewhere. I asked them to consider this matter and let me know.

There were about 75 students present at that meeting. Eighteen voted in favour of reducing the voting age, 17 voted against and the remainder would not vote. They said they were not sufficiently acquainted with the political situation or politics or national affairs even to express an opinion whether or not they should vote. We all know that there are young people who are really interested in national affairs to the extent of working for political parties, but on the average young people do not take that much interest.

I also asked some of these young people whether they would be more interested in national affairs if they were given the vote. In other words, would this be an inducement to them to find out who was running, what the issues were and so forth? Some of them said they thought it might be but the majority said that while they might have some interest they were more interested in passing their examinations. This was the attitude revealed in the answers I received.

We in this house seem to be doing a lot of thinking these days about what the people want. We are in the midst of a flag debate and many of us are trying to find out what our constituents really think and want. The same is true of the voting age problem. We would really like to know what our own constituents think, what the public think and particularly what the young people think. But I say we do not know. There has been no evidence one way or the other. I say also that until we do know we should not change. Change is only beneficial when it is for the better and until it is proven that change will be beneficial we should not change at all.

With this in mind I do not believe that the time has come to reduce the voting age in Canada. As I say, I am naturally in favour of reducing the voting age for young people if they want the vote. But I do not think it

is good enough for us to say that it will not do any harm, that they will vote the same way as their parents and so forth. This is not a good enough reason to extend the franchise to another large group of voters.

I do not think anyone will argue against the fact that as you grow older you grow a little wiser. I think that at age 21 people have probably learned a little more about life than at age 18. I believe there is a definable difference between people at age 18 and at age 21, and I think we must recognize it. Until we can be shown that there is a great desire on the part of these young people to reduce the voting age I do not think we should do it.

This was not the only group to which I spoke. I spoke to several others and the results were about the same. In other words, some were for, some were against and just as many either did not care or would not express an opinion. This is not an indication of a great desire on the part of young people between 18 and 20 to have the vote in national elections. I think the right to vote is a right that must be fought for and won. It is not something we should give without being asked to do so.

I appreciate the fact that the hon. member for Danforth (Mr. Scott) has brought this matter forward in the hope that we may perhaps run a little bit ahead of the feeling of the young people and give the vote to them before they want it, but in any aspect of life I do not think people appreciate anything given freely which they do not really want. For that reason I think we should move very slowly on this matter.

There is another problem which concerns the standing committee on privileges and elections. Technically I think there is nothing before that committee now because their proceedings came to an end when the last session finished, and their report was not adopted. I do not happen to be a member of that committee but I did read the evidence because I wanted to find out what had been said in the standing committee on privileges and elections which influenced the members to support such a move.

I found this subject had been introduced into this committee suddenly, and without notice, by a combination of a Liberal member and an N.D.P. member. The question was put and members found themselves on the spot. Members who were there apparently decided, well, we would be better off to vote for it than against it because if we vote against it we will be in an impossible position; but if we vote for it at least we will vote for something that will do no serious harm. I still go along with this view. It will not do any harm. There will not be any great catastrophe if we reduce the voting age. I merely say it is not going to do any great amount of good. It is not being requested by the young people and therefore the move has not reached the stage when it should be accepted.

The hon. member for Danforth (Mr. Scott) who introduced this bill said he could not find any evidence to support the proposition that young people did not want it. I agree with him on that. I do not think there is any evidence. Any evidence I can gather indicates they are indifferent to the whole problem. I can say, Mr. Speaker, that if I were not fairly sure of my ground I would not be standing here and saying so. If I felt that young people really wanted the right to vote, that they really ought to have it, then I would be prepared to support this measure. I do not feel that way. I feel that if they did get it, those who would go to vote would do the best they could. I do not see any great harm arising. However I am not at all hesitant about standing in my place today and saying that the time has not yet come for a reduction in the voting age to 18 for national elections.

The hon. member for Danforth mentioned a large number of states which had reduced the voting age for national elections. Most of these states or countries were what I might call socialist states. This might not be the proper term, but except for three of the states of the United States, none of those states mentioned by the hon. member was what I would call a state of the western world—except perhaps Israel and one or two others. I was particularly looking for countries like the United States, Australia, New Zealand, France, Britain and the Netherlands. None of those countries has reduced the voting age to 18. I am not too much impressed by the list the hon. member read.

I will admit that in the state of Israel they are making great progress in bringing about social reform. They are making great effort to bring their young people into the national light. I think this is a good thing. They have, perhaps different circumstances than we have. With this one exception, and perhaps one or two others, I do not accept the list of nations which have reduced their national voting age as being impressive to the point of persuading us in Canada to reduce our voting age.

I believe, Mr. Speaker, that is the sum total of my remarks. We are having a full consideration of the elections act by the standing committee on privileges and elections. I believe seldom, if ever, has it been the custom that while a committee is considering a certain matter, has gone through the motions at least of considering the whole of the elections act, that we in this house should introduce a bill anticipating the recommendations of that committee. It may be said that there was unanimous agreement in the committee, but when the report of the committee is introduced I am sure there will be considerable debate on many of the amendments proposed to the Canada Elections Act. For that reason, I do not believe this is the proper time to introduce this measure. In this respect, I agree with the hon. member for Hamilton West (Mr. Macaluso). I took it that he was somewhat doubtful as to whether or not this was the proper procedure, to introduce this bill at this time. I agree with him. However, I am not going to hide behind that. I do not think it is time to reduce the voting age to 18.

Mr. Macaluso: Would the hon. member permit a question?

The Acting Speaker (Mr. Batten): Order; the hon. member's time has expired.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, the Social Credit party is on record as being in favour of lowering the age limit for voting. Back in the parliament of 1953-57, the hon. member who at that time represented the constituency of Wetaskiwin, a member of the Social Credit party, introduced a bill with this thought in mind. As I stated, therefore, we are on record as being in support of the principle of this particular bill this afternoon. As has been pointed out, the province of British Columbia has already reduced the voting age to 19. I believe there was considerable discussion and debate as to whether it should be lowered to 18. However, apparently there was a general feeling it would be wiser to leave it at age 19, and therefore this is the position in the provincial field.

Many arguments have been advanced from time to time in support of the idea that young people, about the age of 18, should be granted the franchise and would be well able to exercise that franchise in a responsible manner. It has been pointed out that they serve in the armed forces. They occupy positions of some prominence and responsibility in various fields and, therefore, should have the opportunity of casting their ballots and making their choice of a representative. We feel, therefore, it is a principle of democracy that, so far as possible, those who are subject to government should have a choice of the organ that governs them. We talk about the fact that democracy is government with the consent of the governed. It seems therefore, Mr. Speaker, that they should have an opportunity to indicate their willingness to be governed by a certain representative, and this would be in the interests of all concerned. We feel, again, it would encourage young people to take an interest in politics at an age when they are still in school. Therefore they would give themselves to a study of the respective platforms of political parties. They would seek to understand various political philosophies and inform themselves as to the issues confronting the country. If this could be done it would be a very worth-while accomplishment.

Young people just standing on the threshold of life have more at stake in the future than those who are older in age. If they are able to stand the stress of life they will live longer, and therefore will be longer affected by the activities and decisions of government. A lot of young people are taxpayers, many of them possibly at the age of 18 years. At a time when so much of the government's revenue is taken from ordinary taxpayers to meet the expenses of government, surely as many taxpayers as possible should have the opportunity of expressing their opinions with respect to those who will be legislating for them and imposing taxes upon them.

It has been suggested that young people are not qualified to express intelligently their views on matters of government. I would suggest, Mr. Speaker, there are a great many young people aged 18 and 19—I am not going to be a sticker for either age, although I think possibly 19 might be better—who are more qualified than older people of a far greater age. Young people take a keen interest and are not afraid to make decisions while many older people tend to settle down and say, "So long as I can make a living I can get along. Leave it to the young people."

I do not intend to take up the remaining time as there may be other members who wish to speak on this measure, and I certainly do not want to talk it out. Reference has been made to the article written by Norman DePoe in *Weekend Magazine* of March, 1964. On page 3 of that article we find:

> The students union council of the University of Manitoba...passed a vote supporting retention of the voting age at 21.

It also referred to a meeting of the Progressive Conservative students federation which took a similar stand, but I do not think that it is indicative of the general attitude of young people. It may be in certain circles, but I am inclined to think most young people of this age would appreciate having an opportunity to make decisions and to cast their votes in an intelligent manner.

I understand, Mr. Speaker, this was passed by a committee last session. If the government sees fit to move that it be referred to a committee again we would support such a motion. Some consideration should be given to this matter with a view to lowering the age limit to allow a greater number of Canadian citizens to exercise the franchise in this enlightened age.

[*Translation*]

Mr. Marcel Prud'homme (St. Denis): Mr. Speaker, in the few minutes remaining, I would not want—

The Acting Speaker (Mr. Batten): The hon. member for Beauce.

Mr. Gérard Perron (Beauce): Mr. Speaker, I would not want to have the great honour of killing the bill. However, I would like to say, on behalf of our group, that we approve and support the bill introduced by the hon. member for Danforth (Mr. Scott).

Judging by the remarks made by various other members who spoke before me, it is quite obvious that, today, those who have reached 18 years of age have acquired enough maturity and emancipation to make up their own minds regarding the choice of their representatives.

It has been proved that 18 year old youths take an active part, through income tax and in other ways, in contributing to public funds. In such circumstances, it would be normal to give them the opportunity to choose their own representatives. Moreover, by allowing them to play the democracy game, they would perhaps be less prone to resort to violence which unavoidably leads to dictatorship.

I do not want to monopolize the time of the house but I want to add that the passing of this measure would give another opportunity for French Canadians to gain their freedom. Our past proves to us that youngsters want to integrate themselves to the adult population of Canada and take an active part in the political life of their province and their country. In short, it would be desirable to give our youths the opportunity to take part in national elections as soon as they reach 18 years of age.

[Mr. Patterson.]

[*Text*]

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, before one of my friends on the other side of the house asks that question which is usually asked of a speaker when he rises a few minutes before the closing of the hour, I will answer it. Yes, I am aware that if I speak now I will kill this and, yes, that is exactly my intention, because I do not think for one moment that now is an opportune time in this country's affairs to lower the voting age to 18.

I may say I am quite aware of the very intelligent interest shown by many of that age, and I have had the benefit of their hard work in my own election campaigns. I may say they are just as serious as the 21 year olds; sometimes they are much harder working, but I think this is only a very small percentage of them. They make a very impressive mark; but the point I have made in this house previously on this subject is that voting is not just a case of intelligence and hard work.

Voting requires judgment, and judgment in this day and age requires an ever increasing amount of education to begin to comprehend the problems the country faces. It cannot be achieved while one is still encompassed with that very harsh problem of trying to catch up to this modern age. I say judgment is the result of education, intelligence and experience. Today if any change in the voting age is required, in keeping with conditions in the country, in keeping with the requirements of our modern technological society it would, if anything, be to raise the voting age.

A few years ago when comparatively little education was required a man could cope with life at 15 if he were full grown and had his full strength, but now it takes more and more education and experience and now, more than ever, if we are to run this country properly, if we are to have votes cast properly, there must be judgment. Therefore, Mr. Speaker, I have no hesitation in saying I hope this will go no further at this time. May I call it six o'clock.

The Acting Speaker (Mr. Batten): The hour for consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Churchill: I would like to ask the acting house leader about the business for next week?

Mr. MacNaught: On Monday we will resume the committee stage of Bill C-90, an act to amend the National Defence Act. When the committee and third reading stage are concluded we will consider second reading stage of the bill relating to youth allowances. We will then take up the committee stage of Bill S-17, respecting the territorial sea and fishing zones of Canada. This bill has been considered by the standing committee on marine and fisheries and referred back to the house.

At six o'clock the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Monday, July 6, 1964

The house met at 2 p.m.

NEW MEMBER

Mr. Speaker: I have the honour to inform the house that the Clerk of the House has received from the chief electoral officer a certificate of the election and return of Mr. Carl Legault, member for the electoral district of Nipissing.

NEW MEMBER INTRODUCED

Carl Legault, Esquire, member for the electoral district of Nipissing, introduced by Hon. Paul Martin and Hon. G. J. McIlraith.

TRANSPORT

NEWFOUNDLAND—REQUEST FOR FERRY CALL AT BURIN PENINSULA PORT

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, I have the honour to present to this honourable house a petition on behalf of a large number of my constituents. This petition is signed by the president of the joint councils of the Burin peninsula and the president of the Burin peninsula chamber of commerce as well as by the five mayors of the municipalities of this area. Altogether they represent some 30,000 people.

This petition is in the same sense as the one with 2,500 signatures of which copies have been forwarded to the Minister of Transport and to my other Newfoundland colleagues. The petitioners pray that when the new east coast ferry goes into service between North Sydney and Argentia the government of Canada will issue instructions for this ferry to call at one port on the Burin peninsula, either Marystown or Burin, while en route between these two terminals.

CANADIAN FLAG

PETITION REQUESTING RETENTION OF RED ENSIGN

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I have the honour to present to the house an amended and extended petition addressed to the honourable the House of Commons of Canada in parliament assembled. This petition represents the views of something over 900 of my constituents who are members or supporters of all parties in my constituency. I might say we have not got a fifth political wheel there. The petition reads as follows:

Petition

To The Honourable The House of Commons of Canada

In Parliament Assembled

The petition of the undersigned citizens of the Dominion of Canada humbly sheweth:

We, the undersigned, believe Canada's heritage and future can only be symbolized by the red ensign, bearing witness to her origins and the fundamental cultures from which will stem her future greatness. No twig of leaves alone can achieve this.

And as in duty bound your petitioners will ever pray.

The petition is signed by the member for Kootenay West as well as by all these constituents.

HEALTH AND WELFARE

BRITISH COLUMBIA—ANNOUNCEMENT OF GRANT FOR HEALTH SCIENCES CENTRE

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I should like to announce that the government proposes the expenditure of $4 million to assist in the design and construction of a health sciences centre at the University of British Columbia. This is a special pilot project, outside and apart from our health grants program, and will be provided for in my departmental estimates later this year.

The development of such a centre at the University of British Columbia has been under study for a number of years. It will establish a new concept in the training of the health professions and has been strongly endorsed by medical health educators.

The amount authorized by the government, which is conditional upon at least an equal amount being provided by the provincial government, will be made available in instalments as planning and construction progress. It is expected that up to two years' planning will be required before construction can begin.

Health Sciences Centre

The new centre will be primarily a teaching institution, but will also provide a 410 bed hospital with extensive research facilities. It is also to be used for the referral of patients needing the special services and facilities contained in such a unit.

In authorizing this provisional grant the government is aware of the importance of the teaching pattern developed at this university in providing common instruction facilities for all health provisions, doctors, dentists, pharmacists, physiotherapists, occupational therapists, social workers and psychologists.

This team approach to teaching is considered a major advance in medical education and should have an important impact on the quality of health care, particularly in the face of future developments regarding the provision of health services. The improvement in the method of teaching should also encourage the entry of more young people into the health professions.

This pioneer project may well establish an important pattern for future development and the government, for this reason, considers that a special grant for this important purpose is fully warranted.

Mr. Harold E. Winch (Vancouver East): May I very briefly, as a representative of the city of Vancouver, express our great appreciation of the statement that has just been made by the minister. I personally have a great deal of satisfaction in the announcement that has just been made because some 15 years ago the members of this party, provincially, recommended the same thing, and there were aspersions cast upon us by both the medical profession and the university. Fifteen years later, sir, our intelligence and our foresight have been confirmed. I give honour to the minister that today I am in the House of Commons to say "Thank you ever so much".

Mr. Charles J. M. Willoughby (Kamloops): May I also add my thanks to the Minister of National Health and Welfare for this wonderful announcement. This is going to mean a great deal to the development of the University of British Columbia, particularly the medical faculty. I know that this, to a large extent, is the result of the wonderful work that has been done by Dr. John McCreary in promoting this particular project. I think he deserves the thanks of everybody in British Columbia, and the action taken by the department here has upheld his recommendations.

Mr. A. B. Patterson (Fraser Valley): May I very briefly state how happy we are with the announcement that has been made by the Minister of National Health and Welfare. We appreciate the consideration that has been given to this matter. We note also the reference that has been made to the fact that the grant is conditional upon a similar amount being forthcoming from the provincial government. I am sure that with their interest in the welfare of the people, with their forward looking policies, they will be glad to co-operate in this important work.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, we associate with the members of the other parties in order to congratulate the minister for that undertaking at the University of British Columbia, not because we are citizens of British Columbia but because we are citizens of Canada. We believe that Canada has everything to gain by increasing research in the medical field as well as in all other areas of education.

We live in an era where science is making tremendous progress, where education must develop more than ever, and such undertakings, especially in a field as important as health, are sure to increase our country's well-being and expansion.

We hope the minister has already enlisted the co-operation of the government of British Columbia, because, as every member of the house knows, education comes under the provincial authorities.

[*Text*]

TELEVISION

EXTENSION OF FREEZE ON APPLICATIONS FOR ALTERNATIVE SERVICE

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, in September, 1963, Mr. Stewart, Mr. Ouimet and Mr. Jamieson jointly recommended that applications for licences involving the extension of alternative television services should not be received or heard before July 1, 1964. That recommendation was subsequently implemented by the Minister of Transport.

On May 25, 1964 I appointed an advisory committee on broadcasting with terms of reference that included an inquiry into "the various means of providing alternative television services". Because this question is presently under investigation and cannot be separated from the other issues which are being reviewed by the advisory committee on broadcasting, the government feels that the freeze on the extension of alternative television services should be extended until

a statement of policy is made shortly after the committee has presented its report early in 1965.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*FEDERAL EMPLOYEES IN QUEBEC

Question No. 708—**Mr. Martineau:**

1. What is the number of persons holding an employment by Her Majesty in right of Canada or by an agent of Her Majesty in right of Canada in the province of Quebec?
2. What is the number of persons holding an employment in the province of Quebec, which employment is in connection with the operation of (a) works, undertakings or businesses that are within the legislative authority of the parliament of Canada (b) other works, undertakings or businesses which are outside the legislative authority of the legislature of the province of Quebec?
3. What is the number of employers of the persons mentioned in number 2(b) hereof?

Mr. Pennell: 1. Approximately 64,500 persons in January 1964.

2. (a) Approximately 62,300 persons in May 1963. (b) No survey has been made of this type of employment and precise information is not available.

3. The answer to this question is the same as the answer to 2(b).

Questions

SALARIES OF PUBLIC SERVANTS

Question No. 891—**Mr. MacRae:**

How many employees of the public service appointed by order in council are in each of the following salary brackets (a) less than $2,000 per year (b) $2,001 to $4,000 (c) $4,001 to $6,000 (d) $6,001 to $8,000 (e) $8,001 to $10,000 (f) $10,001 to $12,000 (g) $12,001 to $14,000 (h) $14,001 to $16,000 (i) $16,001 to $18,000 (j) $18,001 to $20,000 (k) over $20,000?

Mr. Lamontagne: (a) 5; (b) 125; (c) 254; (d) 118; (e) 223; (f) 96; (g) 44; (h) 40; (i) 28; (j) 30; (k) 67.

C.N.R. ACCIDENTS, JASPER-PRINCE RUPERT LINE

Question No. 955—**Mr. Howard:**

Since January 1, 1962, has any derailment, collision or other accident been experienced by Canadian National Railways on its rail line between Jasper, Alberta and Prince Rupert, B.C. occasioned by rock slides, washouts, snow slides or other natural causes and, if so, with respect to each such derailment, collision, or other accident what was (a) its date (b) its location (c) its cause (d) the number and extent of injuries to (i) employees, and (ii) other than employees (e) the extent and value of damage to C.N.R. property and equipment, and (f) the number of days of employment lost by virtue of injuries received?

Mr. Pickersgill: The management of the Canadian National Railways advise as follows:

List of accidents as reported to the board of transport commissioners:—

Date	Location	Cause	Number and extent of injuries to employees (no outsiders injured)	No. days employment lost	Extent and value of damage to C.N.R. property
					$
Jan. 28/62	Mile 39.9 Skeena sub.	Derailment. Two snow slides	1 employee injured fractured left leg and hip; shoulder injured	408	6,165
Apr. 14/62	Mile 18.0 Fraser sub.	Derailment. Ice, rock and mud slide	Nil	Nil	12,699
Oct. 16/63	Mile 70.1 Bulkley sub.	Derailment. Rock slide	3 employees injured:		232,008
			1—broken right leg, ribs	204*	
			1—back and internal injuries	164	
			1—bruises	9	

* Not yet returned to duty.

Questions

CURRENCIES ACCEPTED FOR EXPORTS

Question No. 1,063—**Mr. Côté (Chicoutimi):**

1. What countries have had commercial transactions with Canada during the past five years?
2. What arrangements have these countries made to pay for their purchases?
3. What currency does the Canadian exchange fund accept in payment for exports?

[*Translation*]

Answer: 1. Assuming that by commercial transactions is meant both Canadian exports to and imports from such countries, the countries and areas shown on the attached list have had commercial transactions with Canada during the last five years.

2. The government has no direct knowledge of the payment terms arranged for the bulk of these transactions as these are subject to private negotiation between buyer and seller. The government has knowledge of the transactions which have been insured under section 21 of the Export Credits Insurance Act and of the transactions financed under section 21A of that act. The orders in council authorizing the corporation to enter into these transactions have already been tabled in the house.

3. The exchange fund does not accept currencies specifically in payment for exports. Exporters and importers normally deal directly with the chartered banks to satisfy their foreign exchange requirements. These requirements may be in any currency in which the exporters and importers are dealing. To the extent that the chartered banks cannnot fulfill all of their foreign exchange needs from their own internal funds, they buy or sell in the foreign exchange market. The exchange fund deals in this market to fulfil its original purpose which is to aid the Minister of Finance in the control and protection of the external value of the Canadian monetary unit. In fulfilling this function, the minister is empowered to purchase the following from time to time, with the money in the exchange fund:—

(a) gold; (b) currency of the United States; (c) currencies of any country other than Canada or the United States that are freely convertible into gold or United States dollars.

The following countries and areas have had commercial transactions with Canada during the last five years:

United Kingdom, Gibraltar, Denmark, Germany (Federal Republic), Norway, Sweden, Bulgaria, Hungary, Union of Soviet Socialist Republic, Qatar, Iran, Israel, Libya, Sudan, United Arab Republic-Egypt, Rhodesia & Nyasaland, Uganda, Algeria, Congo, French Africa n.e.s., Ivory Coast, Mozambique, Togo, Hong Kong, Pakistan, Burma, China (Communist), Korea, Taiwan (Republic of China), New Zealand, United States (Oceania), Argentina, Chile, French Guiana, Surinam, Bahamas, Barbados, Trinidad and Tobago, Dominican Republic, Guatemala, Mexico, Panama, Greenland, United States, Ireland, Austria, Finland, Greece, Italy, Portugal, Switzerland, Czechoslovakia, Poland, Yugoslavia, Cyprus, British Middle East n.e.s., Jordan, Saudi Arabia, Syria, Ghana, Mauritius & Dependencies, Sierra Leone, Republic of South Africa, Angola, French Equatorial Africa, Gabon Republic, Liberia, Portugal Africa n.e.s., Tunisia, India, British East Indies n.e.s., Indonesia, Philippines, Thailand, Australia, British Oceania n.e.s., British Guiana, Bolivia, Colombia, Paraguay, Uruguay, Bermuda, Jamaica, Costa Rica, El Salvador, Haiti, Netherlands Antilles, Puerto Rico, St. Pierre and Miquelon, Malta and Gozo, Belgium & Luxembourg, France, Iceland, Netherlands, Spain, Albania, Germany (East), Roumania, Bahrain, Kuwait, Ethiopia, Iraq, Lebanon, Somalia, Turkey, Kenya, Nigeria, Tanganyika, British Africa n.e.s., Cameroons, French West Africa, Guinea, Morocco, Spanish Africa, Ceylon, Malaya & Singapore, Afghanistan, Cambodia and Laos, Japan, Portuguese Asia, Viet Nam, Fiji, French Oceania, Falkland Islands, Brazil, Ecuador, Peru, Venezuela, British Honduras, Leeward & Windward Islands, Cuba, French West Indies, Honduras, Nicaragua, United States (Virgin Islands).

[*Text*]

USE OF MAPLE LEAF INSIGNIA ON C.N.R. FREIGHT CARS

Question No. 1,068—**Mr. Hales:**

Has the C.N.R. management decided to withdraw the insignia of the maple leaf and the caption "Serves all Canada" from all C.N.R. freight cars and, if so (a) for what reasons (b) under whose instructions were these orders issued?

Mr. Pickersgill: The management of the Canadian National Railways advise that the company's decision on its trademark is contained in a press release issued on December 15, 1960, and from which the following extracts have been taken as explanatory information in reply to the question:

"The trademark, developed and tested during the past year, began appearing on the sides of box cars at the same time that C.N. employees were introduced to the symbol in

the December-January issue of the railways' employee magazine "Keeping Track".

Designed by Toronto's Allan Fleming, the trademark is a continuous line forming the letters "C.N." to express movement—the movement of men, messages and materials.

The traditional "R" has been eliminated because the trademark must service C.N.'s multi-type business—hotels, communications, express, freight and passenger services. As well, "C.N." is bilingual; "C.N.R." is not.

The new trademark is the first step in a comprehensive redesign program launched by the C.N. in the summer of 1959. The decision to embark on the program followed a survey on public attitudes conducted across Canada. The survey showed that in spite of centralized traffic control, dieselization, modern electronic hump yards, new microwave facilities and other modern programs being carried out by the railway, the public still regarded Canadian National and railways generally as old-fashioned and slow about trying to find new ways of improving their operations and service to the public.

The program is built around the new C.N. symbol, but a great deal of attention is being given to the backgrounds against which the trademark will be applied: color schemes for trains, trucks, uniforms, signs, telegraph blanks, stations, letterheads, and all the many items involved in C.N.'s businesses."

CURRENCY OF FOREIGN COUNTRIES

Question No. 1,092—**Mr. Côté (Chicoutimi):**

1. What foreign countries have convertible currency, and what monetary units do they use?
2. What foreign countries have unconvertible currency, and what monetary units do they use?
3. What countries are members of the international monetary fund?
4. What countries are not members of the international monetary fund?

[*Translation*]

Answer: 1. The clearest standard of convertibility is adherence to article 8 of the international monetary fund. Countries adhering to article 8 undertake to avoid restrictions on current payments, avoid discriminatory currency practices, and convert foreign held balances of their currencies. Switzerland, although not a member of the international monetary fund, would also meet this standard. The monetary unit of Switzerland is the Swiss franc.

A list of article 8 countries and their monetary units follows:

Questions

Country	Unit
Austria	Schilling
Belgium	Franc
Canada	Dollar
Dominican Republic	Peso
El Salvador	Colon
France	Franc
Germany, Fed. Rep. of	Deutsche Mark
Guatemala	Quetzal
Haiti	Gourde
Honduras	Lempira
Ireland	Pound
Italy	Lira
Jamaica	Pound
Japan	Yen
Kuwait	Dinar
Luxembourg	Franc
Mexico	Peso
Netherlands	Guilder
Panama	Balboa
Peru	Sol
Saudi Arabia	Riyal
Sweden	Krona
United Kingdom	Pound
United States	Dollar

2. All countries not listed in the answer to question 1 are considered by definition to have unconvertible currencies. The list of these countries and territories is taken from the May 1964 issue of the *Monthly Bulletin of Statistics* published by the United Nations.

Country	Unit
Afghanistan	Afghani
Argentina	Peso
Australia	Pound A.
Bolivia	Peso Boliviano
Brazil	Cruzeiro
Burma	Kyat
Ceylon	Rupee
Chile	Escudo
China (Taiwan)	NT dollar
Colombia	Peso
Costa Rica	Colon
Denmark	Krone
Ecuador	Sucre
Finland	Markka
Hong Kong	Dollar
Iceland	Krona
India	Rupee
Indonesia	Rupiah
Lebanon	Pound L.
Malaysia	Dollar
New Zealand	Pound N.Z.
Nicaragua	Cordoba
Norway	Krone
Pakistan	Rupee

Country	Unit
Paraguay	Guarani
Philippines	Peso
Portugal	Escudo
South Africa	Rand
Spain	Peseta
Thailand	Baht
Turkey	Lira
Uruguay	Peso
Venezuela	Bolivar
Viet Nam, Rep. of	Piastre
Yugoslavia	Dinar
Aden	E. Afr. Shilling
Algeria	Franc
Angola	Escudo
Bahama Islands	Pound
Barbados	W. I. Dollar
Bermuda	Pound
Br. Guiana	W. I. Dollar
Br. Honduras	Br. Hon. Dollar
Brunei	B. Dollar
Burundi	RB Franc
Cambodia	Riel
Cameroon	CFA Franc
Central African Rep.	CFA Franc
Chad	CFA Franc
Comoro Islands	CFA Franc
Congo (Brazzaville)	CFA Franc
Congo (Leopoldville)	Franc
Cuba	Peso
Cyprus	Pound
Dahomey	CFA Franc
Ethiopia	Dollar
Falkland Islands	Pound
Fiji Islands	Pound F.
Fr. Guiana	Franc
Fr. Polynesia	CFP Franc
Fr. Somaliland	Djibouti Franc
Gabon	CFA Franc
Gambia	Pound
Ghana	Pound
Gibraltar	Pound
Greece	Drachma
Guadeloupe	Franc
Guinea	CFA Franc
Iran	Rial
Iraq	Dinar
Israel	Pound
Ivory Coast	CFA Franc
Jordan	Dinar
Kenya	E. Afr. Shilling
Korea, Rep. of	Hwan
Laos	Kip
Leeward Islands	W.I. Dollar
Liberia	U.S. Dollar
Libya	Pound
Madagascar	MG Franc
Mali	M. Franc
Malta	Pound
Martinique	Franc
Mauritania	CFA Franc
Mauritius	Rupee
Morocco	Franc
Mozambique	Excudo
Neth. Antilles	Ant. Guilder
New Caledonia	CFP Franc
New Hebrides	CFP Franc
Niger	CFA Franc
Nigeria	Pound
Réunion	CFA Franc
Rhodesia & Nyasaland, Fed. of	Pound
Rwanda	RB Franc
Senegal	CFA Franc
Sierra Leone	W. Afr. Pound
Seychelles	Rupee
Somalia	Sh. So.
St. Pierre and Miquelon	CFA Franc
Sudan	Pound Sd.
Surinam	Sur. Guilder
Syria	LS
Tanganyika	E. Afr. Shilling
Togo	CFA Franc
Tonga	Pound T.
Trinidad and Tobago	W. I. Dollar
Tunisia	Franc
Uganda	E. Afr. Shilling
United Arab Rep.	L. E.
Upper Volta	CFA Franc
Wallis and Futuna Islands	CFP Franc
Windward Islands	W.I. Dollar
Zanzibar	E. Afr. Shilling
Albania	Lek
Bulgaria	Lev
China (mainland)	Yuan
Czechoslovakia	Korona
Germany, Eastern	Ostmark
Hungary	Forint
Korea, North	Won
Mongolia	Tugrek
Poland	Zloty
Romania	Leu
U.S.S.R.	Ruble
Viet Nam, North	Dong

3.

Afghanistan	Burma
Algeria	Burundi
Argentina	Cameroon
Australia	Canada
Austria	Central African Rep.
Belgium	Ceylon
Bolivia	Chad
Brazil	Chile

China	Malaysia
Colombia	Mali
Congo (Brazzaville)	Mauritania
Congo (Leopoldville)	Mexico
Costa Rica	Morocco
Cyprus	Nepal
Dahomey	Netherlands
Denmark	New Zealand
Dominican Republic	Nicaragua
Ecuador	Niger
El Salvador	Nigeria
Ethiopia	Norway
Finland	Pakistan
France	Panama
Gabon	Paraguay
Germany, Fed. Rep. of	Peru
Ghana	Philippines
Greece	Portugal
Guatemala	Rwanda
Guinea	Saudi Arabia
Haiti	Senegal
Honduras	Sierra Leone
Iceland	Somalia
India	South Africa
Indonesia	Spain
Iran	Sudan
Iraq	Sweden
Ireland	Syrian Arab Republic
Israel	Tanganyika
Italy	Thailand
Ivory Coast	Togo
Jamaica	Trinidad & Tobago
Japan	Tunisia
Jordan	Turkey
Kenya	Uganda
Korea	United Arab Republic
Kuwait	United Kingdom
Laos	United States
Lebanon	Upper Volta
Liberia	Uruguay
Libya	Venezuela
Luxembourg	Viet-Nam
Malagasy Rep.	Yugoslavia

4. The source for the countries and territories listed below is the same as for the second answer. Hong Kong, Switzerland, Aden, Angola, Bahama Islands, Barbados, Bermuda, Br. Guiana, Br. Honduras, Brunei, Cambodia, Comoro Island, Cuba, Cyprus, Falkland Islands, Fiji Islands, Fr. Guiana, Fr. Polynesia, Fr. Somaliland, Gambia, Gibraltar, Guadeloupe, Leeward Islands, Madagascar, Malta, Martinique, Mauritius, Mozambique, Neth. Antilles, New Caledonia, New Hebrides, Reunion, Fed. of Rhodesia & Nyasaland, Seychelles, St. Pierre and Miquelon, Surinam, Tonga, Wallis and Futuna Islands, Windward Islands, Zanzibar, Albania, Bulgaria, China (mainland), Czechoslovakia, Germany (Eastern), Hungary, Korea (north), Mongolia, Poland, Rumania, U.S.S.R., Viet Nam (north). [*Text*]

20220—321

TEST EXAMINATION OF GOVERNMENT ACCOUNTS

Question No. 1,110—**Mr. Nugent:**

1. What criteria determine the test basis for the examination of accounts by the Auditor General?

2. Referring to the Auditor General's report for the fiscal year ended March 31, 1963, at p. 3, what in detail and with full particulars were the "too many instances where staff shortages result in the audit office being unable to carry out its test examinations with sufficient frequency or in sufficient depth to achieve even the minimum standard required by modern accepted auditing practice"?

3. What is "modern accepted auditing practice" referred to in this statement and in what particulars has it been departed from?

4. What is the minimum standard of such practice and in what particulars has it not been achieved in any department specifying such department?

5. In what departments or branches of departments were the test examinations carried out with insufficient depth?

6. In respect of each of these departments or branches of departments (a) what in particular was the lack of depth (b) what would have been a sufficient depth?

7. In what departments or branches of departments were the test examinations carried out with insufficient frequency?

8. In respect of these (a) what was the frequency (b) what would have been sufficient frequency?

Answer: 1. When the Auditor General states that his examinations of the accounts have included such tests as he considered necessary in the circumstances, he means that he has examined portions of the transactions, supporting documents and records to the extent that he deems necessary in order to form an independent opinion as to the correctness of the accounts.

The auditing procedure of testing or sampling represents an inspection of a sample of items selected from the transactions of the period under review with the object of judging the degree of reliability and quality of the whole on the basis of the sample. One of the most important factors to be taken into consideration in determining the extent of testing required is the effectiveness of the existing system of internal control which is reviewed by the Auditor General. Other factors include the reliability of the accounting records, the risk of the existence of signficant errors and the relative importance of the transactions to be tested. The extent of testing in any examination is a matter of the auditor's judgment which is recognized by the employment of the words "The Auditor

General shall examine in such manner as he may deem necessary" in the Financial Administration Act.

2. The statement quoted from page 3 of the Auditor General's report for the fiscal year ended March 31, 1963 to the House of Commons was also made by him in his report to the House of Commons for the fiscal year ended March 31, 1962.

It would not be in the public interest were the Auditor General to make known in detail and with full particulars those instances where his test examinations have not been carried out with sufficient frequency or in sufficient depth to achieve even the minimum standard required by modern accepted auditing practice.

3. Modern accepted auditing practice may be defined in general as the examination of accounting documents and supporting evidence for the purpose of reaching an informed opinion concerning their propriety. As in the case under (2) above, it would not be in the public interest to reveal the extent to which this has been departed from.

4, 5, 6, 7 and 8. As mentioned in the answers to (2) and (3) above, it is not in the public interest to disclose the extent to which the audit office has been unable to carry out its test examinations with sufficient frequency or in sufficient depth to achieve even the minimum standard required by modern accepted auditing practice.

TRANSPORT DEPARTMENT PUBLICITY FOR C.N.R.

Question No. 1,122—**Mr. Latulippe:**

1. What official of the Department of Transport is in charge of promotional programs carried out at airports, railway stations and hotels belonging to the C.N.R.?
2. What is the Department of Transport's policy with regard to publicity in railway stations, airports and hotels owned by the C.N.R.?
3. Who authorizes the various companies to advertise on billboards in railway stations, airports and railway hotels and what standards are followed for rates?
4. Are tenders accepted for renting space used for advertising by the Department of Transport?
5. In the last two years, how many advertising firms have been authorized to advertise in railway stations, airports and hotels and what are the names of those firms?
6. What revenue has the government derived from each publicity campaign carried out by advertising firms?
7. Have any advertising firms requested the job of handling advertising for the 1967 world exhibition in railway stations, airports or hotels belonging to the C.N.R. and, if so (a) how many (b) what firms (c) what place and what terms were involved in each case?
8. What promotional programs did the Department of Transport undertake in 1962-63 and what was the cost of each program and who handled them?

[Mr. Nugent.]

[*Translation*]

Answer: 1. Not applicable as the Department of Transport does not carry out any promotional programs in connection with airports, or with railway stations and hotels belonging to the Canadian National Railways.

2. Publicity has been taken as referring to advertising at airport terminals and in this regard the policy of the department is to process applications for advertising space as they are received. Consequently the tendering procedure does not apply since any party wishing to advertise at airports may apply. The department does not deal with advertising agencies as such on an exclusive basis. The department has no jurisdiction over Canadian National stations and hotels.

3. See answer to part 2. Advertising at departmental airports is authorized by the Minister of Transport under the government airport concession operations regulations.

4. See answer to part 2.

5 and 6. See answer to part 2. Within the last two years the department has not entered into exclusive agreements with advertising agencies. The department has entered into an agreement with a Montreal company (Marile Limited) permitting it to instal its advertising units in the terminal building at the Montreal international airport. The company is free to solicit advertising from interested parties, but this is not on any exclusive basis for the advertising in the terminal building. The department still accepts applications from parties wishing to rent advertising space in the terminal building.

The rental provision in the agreement with Marile Limited is $125 per month per unit or 10 per cent of gross revenue whichever is the greater.

7. No applications for advertising in connection with the 1967 world exhibition have been received by the department. As mentioned in the answer to part 2, the department does not have jurisdiction over Canadian National stations and hotels.

8. See answer to part 2.

[*Text*]

JUSTICE DEPARTMENT MOTOR VEHICLE PURCHASES, QUEBEC

Question No. 1,147—**Mr. Latulippe:**

1. How many vehicles did the Department of Justice buy in the constituencies of Compton-Frontenac, Beauce, Mégantic, and Sherbrooke in 1961-62-63?
2. Were these purchases made following public tender calls?

3. Who tendered in each case, and what was the amount of the tender?
4. Which tenders were accepted?
5. Are maintenance, repairs, and gasoline and oil for these cars obtained through tender?
6. Who is in charge of these activities, and what amounts were spent in 1961-62-63?

Mr. Macdonald: So far as the Department of Justice is concerned:

1. None.

2, 3, 4, 5, 6. Not applicable.

*RECOMMENDATIONS OF UNIVERSITY TEACHERS RESPECTING FINANCING

Question No. 1,153—**Mr. Orlikow:**

Has the government given consideration to the recommendations made to the Minister of Finance by the Canadian association of university teachers in its brief on the financing of universities on January 27, 1964 and, if so (a) does the government, in concert with the governments of the provinces, and collaboration with the universities, plan to develop a systematic long range program for the planning and financing of university development, with respect both to operating and capital requirements, initially for the period 1964-65 to 1970-71 (b) does the government consider that the goal should be to enable the universities to discharge their extraordinarily great responsibilities on the scale required of them, in such a way that will place comparable universities in the different regions of the country on equal terms with respect to the payment of staff and the provision of facilities (c) has the government considered the appointment of a small consultative committee to aid in the formulation and development of the proposals in recommendations 1 and 2 and that there be strong representation on this committee from members of the academic profession who are actively engaged in teaching and research (d) does the government consider that in the interim period, pending the implementation of the proposed new comprehensive long range program of financing the universities, the federal operating grants be increased to at least $100,000,000 for 1964-65 and the federal government commit itself to bearing a minimum proportion, at least one third, of the universities' operating costs, the grant to be distributed on a new basis, using provincial populations in the age group 16-24, with adjustments for provincial differences in proportions of out-of-province students, and for differences in provincial fiscal capacity (e) does the government consider that a substantial increase should be made in the annual funds available to the Canada council to enable it to expand its program in support of research in the humanities and the oscial sciences and in support of research collections in university libraries (f) will the national research council and medical research council be provided with sufficient funds to enable them to sustain and expand their support of scientific and medical research in the universities and to make those areas of research now heavily dependant on research funds from the United States less dependent on these sources (g) will a federal contribution of $300 million be made toward the estimated capital requirements of the universities for the three-year period 1963-64 to 1965-66, as recommended by the Canadian universities foundation in its brief, and will the federal government commit itself to bearing a minimum proportion, at least one third, of the universities' capital costs?

Mr. Pennell: The government gave consideration to these recommendations but considers it necessary now to re-examine them in accordance with the answer given to the hon. member on May 20, 1964 by the parliamentary secretary to the Prime Minister as recorded on page 3388 of *Hansard*. In any event, most of this question relates to decisions of policy which, when taken, would be announced in due course.

CHARLES CAMSELL HOSPITAL—INDIANS AND ESKIMOS ADMITTED

Question No. 1,218—**Mr. Rhéaume:**

1. For each year since 1953, how many Indian and Eskimo patients from the Northwest Territories were admitted to the Charles Camsell hospital at Edmonton for treatment of acute illness or non-tuberculosis health conditions?
2. What has been the approximate cost of all such care, for each year since 1953, including transportation expenses of these patients?

Miss LaMarsh: 1.

	Admissions	
Year	Indian	Eskimo
1954	30	49
1955	32	55
1956	34	58
1957	54	105
1958	54	74
1959	72	102
1960	107	118
1961	99	92
1962	165	173
1963	192	198

2. Approximate costs, based on average cost figures

Indian	Eskimo
$	$
45,836	63,500
51,418	75,428
56,118	86,057
61,842	121,679
45,135	104,976
67,726	134,204
86,028	126,929
67,308	82,137
112,587	130,744
136,239	171,390

FARM CREDIT CORPORATION

Question No. 1,257—**Mr. Gauthier:**

1. With reference to the Farm Credit Corporation, for the period ending March 31, 1964 (a) how many loans were granted in each of the provinces (b) how many office employees were there in each province (c) how many credit advisers were

Questions

there in each province (d) how many credit supervisors were there in each province?

2. How many loans were approved in each of the provinces during the financial year 1963-1964?

3. As of March 31, 1964 how many loans (a) were applied for in the constituency of Roberval (b) were approved in the constituency of Roberval (c) were made in the constituency of Roberval?

Mr. Hays: 1.

	(a) Loans Disbursed 1963-64	(b) Office Employees March 31, 1964	(c) Credit Advisers March 31, 1964	(d) Credit Supervisors March 31, 1964
British Columbia	356	5	8	1
Alberta	1930	47	37	5
Saskatchewan	2085	46	39	5
Manitoba	598	12	12	2
Ontario	1636	61	41	6
Quebec	892	46	24 *2	5
New Brunswick	77	9	3	1
Nova Scotia	71	—	2	1
Prince Edward Island	153	3	3	1
Newfoundland	4	Senior Loaning Officer from New Brunswick covers the Province of Newfoundland		
Totals	7802 *1	729	169	27

*1 This is the number of loans actually disbursed. Other loans approved during fiscal year were in the process of disbursement at the end of the fiscal year.

*2 There are presently 30 credit advisers on strength in the province of Quebec.

2. Loans approved by provinces 1963-64: British Columbia, 355; Alberta, 2043; Saskatchewan, 2332; Manitoba, 625; Ontario, 1796; Quebec, 1211; New Brunswick, 83; Nova Scotia, 74; Prince Edward Island, 155; Newfoundland, 5. Total 8689.

3. The Farm Credit Corporation does not maintain statistical records on a constituency basis. However, for the municipal county of Lac Saint-Jean West, which approximately coincides with the constituency of Roberval, the answer is: (a) 191; (b) 121; (3) 94. (Some of those loans approved prior to March 31, 1964 were still being processed and had not been disbursed at the end of the fiscal year.)

LAND IMPROVEMENT, MOUNT UNIACKE, N.S.

Question No. 1,279—**Mr. Kennedy:**

Has the government undertaken to improve additional land in the vicinity of the receiver station at Mount Uniacke, Nova Scotia and, if so (a) were public tenders called and, if so (b) what was the name of each tender, the amount of each tender and to whom was the contract awarded?

Mr. Drury: Yes.

[Mr. Gauthier.]

(a) The Halifax regional office of the Department of Defence Production invited tenders from 27 firms.

(b) Tenders in the amounts indicated were received from: Hennessy & Spicer Ltd., Hants county, N.S. $4,570; Woods Contracting Limited, Bedford, N.S. $4,679.80; Cameron Contracting Limited, Halifax, N.S. $5,490; Roy Judge Co. Ltd., Halifax, N.S. $7,071; Trynor Construction Company Limited, Halifax, N.S. $15,297.50.

The contract was awarded to Hennessy & Spicer Ltd.

MARMOT BASIN SKI LIFT, ALBERTA

Question No. 1,303—**Mr. Horner (Jasper-Edson):**

With regard to Marmot Basin Ski Lift Limited and Marmot Territory Development Company (a) has the Minister of Northern Affairs and National Resources met with any persons connected with either company prior to the announcement of the tender (b) did the manufacturer of the lift to be used in the successful tender give any concession to the government, of any nature (c) did any departmental official meet with the manufacturing firm or its agent prior to the awarding of the

tender and, if so, (i) on what date (ii) for what reasons (iii) was similar opportunity offered to the manufacturer of the lift in the losing tender (d) when does the successful tenderer take over the Marmot basin (e) does the Department of Northern Affairs and National Resources intend to allow both the present operator and the successful tenderer to operate in the Marmot basin this coming winter (f) how much road will have to be built by the government to satisfy the successful bidder and what is the estimated cost (g) how much road would have been required by the unsuccessful bidder (h) how does the successful bidder intend to provide power to the Marmot basin?

Mr. Laing: (a) No.

(b) No.

(c) No.

(d) When a bond in the amount of 5 per cent of the estimated cost of the development and suitable plans of the facilities to be installed and erected are filed with the superintendent, Jasper national park.

(e) The successful tenderer will be the only person authorized to operate a lift in the basin; Mr. Toby Rayner, however, will be permitted to operate a snowmobile to carry passengers into the Marmot basin during the 1964-65 season.

(f) and (g) None; before the call for tenders was made, it was decided to improve the five mile trail between the Banff-Jasper highway and the lower terminal off the lift in the Marmot basin at an estimated cost of $35,000.

(h) The successful bidder indicated that he intends to provide power to the Marmot basin with a 7.5 kilowatt diesel generator for electricity and a gasoline engine for the T-bar lift.

SUBSIDIES PAID TO POLARIS SHIPPING COMPANY

Question No. 1,309—**Mr. Marcoux:**

1. To date, what amounts, in the form of subsidies, have been paid direct to the Polaris Shipping Company in connection with the construction of the ship *Cacouna*?
2. On what basis were such subsidies paid?
3. Is the Polaris Shipping Company entitled to any further direct payments in connection with the construction of this ship?

[*Translation*]

Answer: The Canadian maritime commission advises as follows:

1. Nil. On behalf of the ship owner, subsidy amounting to the sum of $384,000 was paid to the shipbuilder, Geo. T. Davie and Sons Ltd., towards the construction cost of the ship *Cacouna*.

2. Subsidy was paid in accordance with the ship construction assistance regulations P.C. 1962-1122.

3. The last progress payment still outstanding amounts to $96,000.

[*Text*]

VALUE OF SAINT JOHN RIVER

Question No. 1,312—**Mr. Flemming (Victoria-Carleton):**

Has the Atlantic development board any information concerning the present and potential value of the Saint John river, especially that portion affected by the Mactaquac project, in its natural state?

Mr. Pickersgill: I am advised by the Atlantic development board as follows:

It would be extremely difficult to assign meaningful quantitative values to the various features and aspects of the Saint John river, present and potential.

The Saint John river is, of course, well known for its salmon fishery, both commercial and sport. There are, however, widely differing estimates of the real value to the economy of the salmon sport fishery.

The river and valley have great natural beauty. To date, commercial development for recreation and tourism has not occurred on any large scale. The control of pollution, a serious problem in the river at present, is essential to the full development of the recreational and tourist value of the river. There is reason to believe the potential of the river for tourism and recreation will also be greatly enhanced by the creation of a 50 mile lake above the dam consequent upon the Mactaquac power development, particularly if steps are taken to deal with pollution.

ST. LAWRENCE RIVER FLOW

Question No. 1,318—**Mr. Cowan:**

1. How many cubic feet of water are the power companies on both sides of the St. Lawrence river at Cornwall, Ontario, authorized to withdraw for power purposes by the second, minute, day or month or whatever period of time is used in such calculations and, where may a copy of such authorization or authorizations be seen?
2. What is the normal inflow into the St. Lawrence river at Kingston, Ontario, from lake Ontario, in cubic feet per second, minute, day or month or whatever period of time is used in such calculations?

Mr. Laing: 1. With the exception of small quantities of water diverted past the Barnhart island dam for purposes of domestic water supply and the operation of the navigation channel and locks, the flow of the St. Lawrence river at that point is available for power purposes. This flow varies with many factors and is regulated in accordance with orders of approval dated 29 October 1952 and 2 July

1956 issued by the international joint commission. Copies of the orders are available at the commission's Ottawa office, room 303, 75 Albert street.

2. Based on long term average conditions and adjusted to present developments, an average of 241,000 cubic feet per second.

COST OF H.M.C.S. "PROVIDER"

Question No. 1,321—**Mr. Fisher:**

1. When was the original tender called for H.M.C.S. *Provider*?
2. Did the R.C.N. or any government department indicate at any time before the bids were in what the estimated cost of the vessel was likely to be?
3. How many companies tendered for the vessel?
4. What was the successful tender, made by whom, and how did it compare with the unsuccessful tenders?
5. What was the actual finished cost of the vessel, as given by the shipbuilder?
6. What was the actual cost of the vessel to the R.C.N. or the crown as it was received from the shipbuilder?
7. Has the R.C.N. any claims against the shipbuilder and, if so, for what and to what amount?
8. Has the shipbuilder any claims against the crown and, if so, for what and to what amount?

Mr. Drury: 1. Original tender, dated September 9, 1959, closed January 29, 1960.

2. Yes—the government was informed in September, 1958 that the estimated cost was likely to be $16,875,000. In addition, the then minister of national defence in his white paper April 1959, stated that the cost was estimated at $16,000,000.

3. Six.

4. The lowest basic comparative proposal for the vessel, and an initial small complement of "on board" spares, was $11,044,584 sales tax extra, submitted by Davie Shipbuilding Company Ltd. The company's actual bid was $11,040,960 but for comparison purposes this was adjusted upward by $3,624. Using the same basis for comparison, the unsuccessful tenders were as follows: No. 2, $11,261,173; No. 3, $11,793,750; No. 4, $13,177,981; No. 5, $16,218,904; No. 6, $17,666,076.

It should be noted that all tenders were subject to the following:

(a) Sales tax to be extra to contract price.

(b) Escalation to be allowed for labour and material.

(c) Additional spares specified by national defence to be extra to contract price.

(d) Construction and material requirements not covered by tender documents and specifications to be extra to contract price.

(e) Design changes to be extra to contract price.

[Mr. Laing.]

These factors have amounted to:

(a)	$1,537,510	(estimated)
(b)	1,300,000	(estimated)
(c)	806,000	(estimated)
(d)	1,194,944	
(e)	503,490	
Total	$5,341,944	(estimated)

5. The shipbuilder has stated that the total cost of the program to the company amounted to:

$15,654,000	ex. sales tax
1,537,510	est. sales tax
$17,191,510	

6. Contract price agreed to by the shipbuilder when the vessel was accepted by R.C.N. is as follows:

	$12,739,394	Firm price ex. sales tax
Escalation	1,300,000	est.
Additional spares	806,000	est.
	$14,845,394	
Sales tax	1,537,510	est.
	$16,382,904	

Recapitulation: Initial tender	$11,040,960
Factors enumerated in question 4	5,341,944
	$16,382,904

7. The crown has an outstanding claim against the shipbuilder under the warranty clause of the contract. Following acceptance of the vessel, defects appeared in some of the vessel's winch pumps and motors. The great part of the remedial work is being done at the shipbuilder's subcontractor's plant at the latter's expense. Some initial remedial work was done by Halifax dockyard personnel, and a claim for reimbursement to the crown for costs involved is being prepared. The amount has yet to be established.

8. The shipbuilder has advised that the costs which the company incurred on the program were in excess of the contract price, and has requested an additional payment of $685,660 for work performed which, he claims, was not covered by the contract. The claim is being investigated.

The Department of National Revenue reports that two drawback claims for direct imports of parts and materials in the total

amount of $313,259.41. The shipbuilder has advised that he expects to file a third claim for the approximate amount of $90,000.

AIRPORT CONSTRUCTION, VAL D'OR, QUE.

Question No. 1,322—**Mr. Caouette:**

1. Have any public tenders been invited for the construction of the Val d'Or airport and, if so (a) how many tenders have been received (b) who are the tenderers (c) what is the amount of each tender (d) to whom has the contract been awarded?

2. If tenders have not yet been invited, will they be invited and on what date?

Mr. Drury: In so far as Defence Construction (1951) Limited is concerned,

1. The information concerning contracts let since April 1, 1963, to date is attached hereto.

2. See answer to No. 1.

Description	Award date	Names of bidders	Amount of tender
			$
Construction of a standard auxiliary power unit building and the supply and installation of one 150 KW diesel electric generator set with exterior services	April 25, 1963	TYVER LTD., Rosemere, Que.	38,500.00
		Valbec Construction Inc., Val d'Or, Que.	39,463.00
		Paquin Construction Co. Ltd., Val d'Or, Que.	39,990.00
		P. A. L'Ecuyer Co. Ltd., Val d'Or, Que.	41,150.00
		The Tower Co. (1961) Ltd., Montreal, Que.	45,600.00
		Nordbec Construction Inc., Rimouski, Que.	53,496.00
		Cimota Construction Corporation Ltd., Quebec, Que.	61,742.00
The contract was awarded to Tyver Ltd., Rosemere, Quebec, at $38,500.00.			
Construction of access road and electrical distribution to permanent quadradar installation	May 14, 1963	PAQUIN CONSTRUCTION CO. LTD., Val d'Or, Que.	5,500.00
		P. A. L'Ecuyer Co. Ltd., Val d'Or, Que.	7,930.00
		Tyver Ltd., Rosemere, Que.	11,250.00
The contract was awarded to Paquin Construction Co. Ltd., Val d'Or, Quebec, at $5,500.00.			
Construction of quick readiness alert facilities and fire hall	Nov. 22, 1963	PAQUIN CONSTRUCTION CO. LTD., Val d'Or, Que.	416,352.00
		P. A. L'Ecuyer Co. Ltd., Val d'Or, Que.	418,075.20
		Betteridge-Smith Construction Co. Ltd., Noranda	489,099.00
The contract was awarded to Paquin Construction Co. Ltd., Val d'Or, Quebec, at $416,352.00.			
Construction of armament compound	Feb. 7, 1964	PAQUIN CONSTRUCTION CO. LTD., Val d'Or, Que.	447,813.00
		P. A. L'Ecuyer Co. Ltd., Val d'Or, Que.	449,915.26
		Betteridge-Smith Construction Co. Ltd., Noranda	470,317.00
		North Shore Construction Ltd., J. A. B. Construction Inc., Montreal, Que.	541,400.00
		La Societe d'Entreprises Generales Ltee.	549,545.08
		Hill-Clark-Francis (Quebec) Ltd., Noranda	568,523.96
The contract was awarded to Paquin Construction Co. Ltd., Val d'Or, Quebec, at $447,813.00.			
Rebuilding of runway	May 5, 1964	PAQUIN CONSTRUCTION CO. LTD., Val d'Or, Que.	935,385.50
		A. Simard Inc., Amos, Que	965,247.85
		North Shore Construction Ltd , Montreal, Que	984,475.00
		Deschenes Construction Ltd., Hull, Que.	994,373.00
		D. Lamothe Ltd., Noranda, Que.	1,027,670.50
		La Societe d'Entreprises Generales Ltee, Amos, Que.	1,065,153.30
		McNamara Highway Construction Ltd., Toronto, Ont.	1,249,680.00
The contract was awarded to Paquin Construction Co. Ltd., Val d'Or, Quebec, at $935,385.50.			
Construction of a sand storage building	June 16, 1964	VALBEC CONSTRUCTION INC., Val d'Or, Que.	17,496.00
		Paquin Construction Co. Ltd., Val d'Or, Que.	17,881.00
		P. A. L'Ecuyer Co. Ltd., Val d'Or, Que.	22,728.38
		Romeo Sabourin, Verdun, Que.	33,410.00
The contract was awarded to Valbec Construction Inc., Val d'Or, Quebec, at $17,496.00.			

ARTS, LETTERS AND SCIENCES—ROYAL COMMISSION RESEARCH STAFF

Question No. 1,323—**Mr. Crouse:**

1. What is the amount of money spent to date by the royal commission on bilingualism and biculturalism?
2. How many full time and part time researchers will be hired by the commission this year?
3. What are the names of the researchers and the salary each one will receive?
4. What are the duties of these researchers, and the countries they will visit?

Mr. Davis: I am informed by the co-chairmen of the royal commission on bilingualism and biculturalism as follows:

1. For the fiscal year 1963-64, $267,107.19; for fiscal year 1964-65, $155,599.58; Total, $422,706.77.

2. Plans call for 65 full time and 28 part time researchers.

3. Names of persons hired to date: Barker, J. C., Beriault, Y., Bird, E. A., Boileau, C., Borins, E., Boisvert, A., Brown, M., Cameron, D. R., Carrier, C., Collin, M., DeMestral, A., Dozois, G., Forbell, H. C., Fournier, J., Gallant, K. H. B., Gordon, J., Gross, S., Hall, O., Hurley, J. R., Irvine, W. P., Krukewski, T., Longstaff, S.A., McRae, K. D., Maheu, L., Mercier, F., Oliver, M., Rickerd, P., Romalis, C., Saint-Amand, A., Sirkis, R., Spicer, K., Torrance, G. M., Varkony, E., Wakefield, A. G., Wilson, T., Wright, C.

Because the hiring of research staff is not completed and because we are negotiating other appointments, it is not in the interests of the public purse that these salaries, which will appear in public accounts, should be specified at this time.

4. (a) To undertake assigned research projects in one's field of competence and to submit reports of findings to the director of research. (b) Only one person already living in Europe is working for the commission on a retainer fee. He will be collecting data for comparative studies. If at a later date researchers residing in Europe are hired, he may be called upon to supervise their work.

NEW STAMP SERIES

Question No. 1,332—**Mr. Macquarrie:**

What consideration prompted the Post Office Department to commence its new stamp series with the emblems of the provinces of Ontario and Quebec rather than the senior provinces, Nova Scotia and New Brunswick, which were established political entities prior to 1867?

Mr. Nicholson: The department has plans to issue a series of postage stamps bearing the floral emblems and the coats of arms of the ten provinces, the Yukon Territory and the Northwest Territories before the end of 1966. Our stamp issue program for 1964 made it impossible to issue the stamps honouring each of the four provinces which entered confederation on July 1, 1867. It was therefore decided to issue the stamps for the two largest provinces in terms of size and population, to be followed by the stamps for Nova Scotia and New Brunswick.

*HOUSING UNITS BUILT UNDER INCENTIVE PLAN

Question No. 1,335—**Mr. Rynard:**

Of the 28,000 housing units constructed during the period of the winter building incentive program, how many were built in communities of 5,000 and more (a) how many in the communities of 5,000 and more were single family units (b) how many in the communities of 5,000 and more were two family units (c) how many in the communities of 5,000 and more were started subsequent to December 1, 1963?

Mr. Byrne: Under the winter house building incentive program 24,793 dwelling units which qualified for the incentive were constructed in communities of 5,000 population and over; of these 19,776 were single family units; 1,850 were two family dwellings containing 3,700 units; 95 were three family dwellings containing 285 units and 258 were four family dwellings containing 1,032 units. Of the 24,793 qualifying units in communities of 5,000 population and over, 14,132 units were started after December 1, 1963.

GROUP INSURANCE ON CIVIL SERVANTS

Question No. 1,336—**Mr. Fisher:**

1. How many group insurance policies are in effect to cover federal civil servants?
2. What are the dates of each policy, the insurance companies who hold the contracts, the names of those who negotiated the contracts for the government, the agents who negotiated for the insurance companies, the commission agreed upon and paid in each contract, the distribution of commission where such a distribution was within the knowledge of the government officials?
3. How many companies were invited to bid for each group plan coverage of civil servants?
4. If bids were or are asked, has a "competitive tender" kind of competition been in effect and, if not, for what reason?

Mr. Pennell: 1. One in which the government is a contracting party.

2. (a) July 1, 1960; (b) The Mutual Life Assurance Company of Canada; (c) D. M. Watters, H. D. Clark, T. B. Smith and E. W. Oliver conducted the direct negotiations; (d) the company was not represented by agents but by employees from its head office; (e) none; (f) none.

3. 150.

4. Yes.

Questions

REQUESTS OF CONSUMERS ASSOCIATION

Question No. 1,340—**Mr. Orlikow:**

1. Is the government giving consideration to the request of the consumers association of Canada that the food and drug directorate set up regulations which will eliminate deceptive packaging of bacon which will allow buyers to see at least one full slice of bacon at the time of purchase?

2. Is the government giving consideration to the request of the consumers association of Canada that the food and drug directorate establish standards for fruit nectars, fruit drinks, fruit ades, etc., with regulations requiring the percentage of specified fruit juice in these drinks to be printed clearly and prominently on the label of the container in close proximity to the name of the drink?

3. Is the government giving consideration to the request of the consumers association of Canada that the food and drug directorate establish minimum standards for cream for manufacturing not less exacting than present standards for milk manufacturing?

Miss LaMarsh: The Department of National Health and Welfare has not officially received the resolutions passed at the recent annual conference of the consumers association of Canada. However the department is aware of the content of these resolutions.

1. Yes. The whole question of the packaging of bacon will be carefully reviewed.

2. Yes. The department has had this matter under consideration for some time. Discussions have already been held with representatives of the consumers association of Canada and industry on this subject.

3. Yes. This matter is under consideration at the present time.

CONSUMERS ASSOCIATION REQUESTS RESPECTING CANNED FOODS

Question No. 1,342—**Mr. Orlikow:**

1. Is the government giving consideration to the request of the consumers association of Canada that the Department of Agriculture set up grades for all canned fruits and vegetables before they are displayed for sale in retail stores, and to ensure adequate inspection to see that grades as designated are maintained?

2. Is the government giving consideration to the request of the consumers association of Canada that the Department of Agriculture conduct an immediate review of its standard measurements and labelling requirements for cans, to ensure that when a Canadian purchaser buys canned juices, the label shall correctly state, in fluid ounces without fractions, the contents of the can at the time of purchase?

Mr. Hays: 1. Yes. The development of grade standards for canned fruits and vegetables grown and processed in Canada was begun by this department a number of years ago. At the present time grades are established for the great majority of domestic canned fruits and vegetables. From time to time as they assume commercial significance grade standards are developed for these new products.

The finished products are under systematic inspection by the department to ensure that grade standards are maintained.

2. Yes. The question of label declaration of can contents is being studied by this department. There are other departments involved in this, and it is felt that the various departments in consultation with industry will arrive at a satisfactory solution.

ARDA PROJECTS PROPOSED AND APPROVED

Question No. 1,343—**Mr. Mather:**

1. How many ARDA projects have been proposed by the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia since ARDA legislation became operative?

2. How many such proposed ARDA projects have been approved by the federal authority?

Mr. Sauvé: 1. ARDA projects received from the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia to May 31, 1964 are as follows: Ontario, 28; Manitoba, 59; Saskatchewan, 91; Alberta, 24; British Columbia, 16.

2. Projects approved by the federal government to May 31, 1964 are as follows: Ontario, 27; Manitoba, 49; Saskatchewan, 85; Alberta, 24; British Columbia, 16.

VAL D'OR AIRPORT CONTRACT

Question No. 1,345—**Mr. Caouette:**

1. Who were the tenderers for the work done at Val d'Or airport in the county of Villeneuve?

2. What was the amount of the tender in each case?

3. To whom was the contract granted?

4. What was the amount of the contract?

Mr. Drury: 1, 2, 3, and 4. See answer to question No. 1,322, Mr. Caouette.

USE OF R.C.A.F. STATION EDGAR

Question No. 1,348—**Mr. Smith:**

Has, or is, the government giving any consideration to the use of the R.C.A.F. radar station at Edgar as a physical health education centre for the national advisory council on fitness and amateur sport, either alone or in conjunction with an educational establishment which might be located there?

Miss LaMarsh: No.

FLAGS AT HALF MAST ON DEATH OF NEHRU

Question No. 1,353—**Mr. Howard:**

Upon the death of the late Prime Minister of India, Pandit Jawaharlal Nehru, was any action taken, by the government of Canada as a fellow member of the commonwealth along with India, to have flags flown at half mast and, if so, to what geographic areas did this policy apply and, if not, for what reason?

Mr. Martin (Essex East): It is the established policy to fly flags at half mast in Canada at the death of a foreign head of state. This is not done for commonwealth or foreign prime ministers.

The flag flown at our high commissioner's office in Delhi would, of course, have been flown at half mast for Prime Minister Nehru in accordance with local practice.

ADVERTISING REVENUE, STATION CJBC, TORONTO

Question No. 1,357—**Mr. Cowan:**

What was the division of the advertising revenue of radio station CJBC, Toronto, in the month of June, 1964, between advertising in the French language and advertising in the English language?

Mr. Lamontagne: I am advised by the Canadian Broadcasting Corporation that all advertising revenue of station CJBC for the month of June, 1964 was from advertising in the English language.

RESTOCKING OF CARIBOU, CAPE BRETON NATIONAL PARK

Question No. 1,359—**Mr. Muir (Cape Breton North and Victoria):**

1. Is the department concerned giving consideration to the re-establishment of caribou in the Cape Breton highlands national park?
2. Is there a source of caribou for re-stocking available and can methods be devised to capture and transport the animals?

Mr. Laing: 1. Yes. Preliminary investigations indicate that the re-establishment of caribou in Cape Breton highlands national park is desirable and feasible. Certain aspects of the proposal require further study and a final decision must be deferred until those studies are concluded.

2. There are several sources from which caribou could be obtained. Modern techniques for capturing and transplanting caribou have been successful.

SUBSIDY TO NEWFOUNDLAND-CANADA STEAMSHIP LTD.

Question No. 1,363—**Mr. Muir (Cape Breton North and Victoria):**

1. Has a subsidy been granted to the Newfoundland-Canada Steamship Limited for the Halifax-St. John's, Newfoundland service?
2. How much is this subsidy, on what date was it granted and for what period of time?
3. Did the Newfoundland-Canada Steamship Limited have a subsidy for this service previously?
4. Under what authority was this subsidy granted?

Mr. Pickersgill: The Canadian maritime commission advises as follows:

1. Yes.

2. $248,600, approved June 4, 1964, for 12 months ending March 31, 1965.

3. No.

4. Approved by treasury board.

TENDERS FOR DREDGING, KINCARDINE, ONT.

Question No. 1,367—**Mr. Loney:**

1. Have tenders been called for dredging at Kincardine harbour, Kincardine, Ontario and, if so, in what newspapers were the tender calls advertised?
2. What is the closing date?

Mr. Deschatelets: 1. It is intended to advertize for tenders later this month.

2. Not yet known.

TEACHERS' SALARIES, NORTHERN AFFAIRS

Question No. 1,370—**Mr. Fisher:**

What is the salary schedule for teachers in the north engaged by the department of northern affairs including the description of the grade levels for each salary?

Mr. Laing:

Experience in years	Jr. matric plus 1 year teacher education	Sr. matric. plus 1 year teacher education	Sr. matric. plus 2 years teacher education	Sr. matric. plus 3 years teacher education	Sr. matric. plus 4 years teacher education	Sr. matric. plus 5 years teacher education	Sr. matric. plus 6 years teacher education
	$	$	$	$	$	$	$
0	3,600	4,200	4,560	5,040	6,120	6,600	7,080
1	3,840	4,440	4,830	5,310	6,420	6,900	7,380
2	4,080	4,680	5,100	5,580	6,720	7,200	7,680
3	4,320	4,920	5,370	5,850	7,020	7,500	7,980
4	4,560	5,160	5,640	6,120	7,320	7,800	8,280
5	4,800	5,400	5,910	6,390	7,620	8,100	8,580
6	5,040	5,640	6,180	6,660	7,920	8,400	8,880
7	—	5,880	6,450	6,930	8,220	8,700	9,180
8	—	6,120	6,720	7,200	8,520	9,000	9,480
9	—	6,360	6,990	7,470	8,820	9,300	9,780
10	—	—	—	7,740	9,120	9,600	10,080
11	—	—	—	—	9,420	9,900	10,380
12	—	—	—	—	9,720	10,200	10,680
13	—	—	—	—	10,020	10,500	10,980
14	—	—	—	—	—	10,800	11,280

"Teacher education" means teacher training after the junior or senior matriculation level, followed by university training toward a degree.

EMPLOYMENT OF STAFF, BICULTURALISM COMMISSION

Question No. 1,375—**Mr. Fisher:**

1. In the hiring of personnel for the royal commission on biculturalism and bilingualism, what directive or memorandum has been drawn up to define the salary scales for the various kinds of personnel required?
2. Who drew up the directive or memorandum and what advice was sought from what government agents or departments so as to determine fair salaries for the various posts?
3. Has anyone been engaged whose salary is above or below the scale or limits set out in any directive or memorandum?

Answer: 1. Administrative, clerical, stenographic and typing appointments are made by the royal commission according to civil service salary scales. Research and other technical appointments are made by the royal commission after individual salary recommendations, submitted to the honourable the treasury board, have been approved.

2. Not applicable.

3. Not applicable.

DIRECTOR OF METEOROLOGICAL SERVICES

Question No. 1,384—**Mr. Coates:**

1. Has a competition been held for the purpose of filling the position of director of meteorological services from which Dr. How resigned, and, if so (a) has a Mr. R. Noble been designated for this appointment (b) has an appeal been lodged against said appointment?

[Mr. Fisher.]

2. Does the government intend to initiate a new competition for this position at the earliest date possible?

Mr. Pickersgill: 1. No. (a) Mr. Noble was the next ranking candidate to Dr. How in the competition for director of meteorological services, and as such has been designated for this appointment in place of Dr. How. (b) Yes.

2. No.

PORT ELGIN, ONT.—HARBOUR DREDGING

Question No. 1,385—**Mr. Loney:**

1. Have tenders been called for dredging at Port Elgin harbour, Port Elgin, Ontario and, if so, in what newspapers were the tender calls advertised?
2. What is the closing date?

Mr. Deschatelets: 1. It is intended to advertize for tenders later this month.

2. Not yet known.

LETTER RESPECTING LAKE HURON AND GEORGIAN BAY WATER LEVEL

Question No. 1,387—**Mr. Loney:**

1. Did the Minister of Northern Affairs and National Resources receive a letter from the Georgian bay development association with regard to the current low water levels in lake Huron and Georgian bay areas and, if so, on what date?
2. Has there been a reply to this letter and, if so, on what date?

Mr. Laing: 1. Yes. June 18, 1964.

2. Yes. July 2, 1964.

LOS ANGELES WORLD FAIR IN 1967

Question No. 1,398—**Mr. Lambert:**

Has the government of Canada been advised officially, or otherwise, of any requests by the promoters of a so-called world fair in Los Angeles in 1967 to the international body of which Canada is a member to have the proposed Los Angeles fair of 1967 qualify as a world fair and, if so, what representations has the government of Canada made, or does it intend to make in this regard?

Answer: There has been no advice, official or otherwise, presented to the government of Canada with respect to a so-called world fair in Los Angeles in 1967. The bureau of international expositions has, however, accepted for registration a special category fair to be held at Long Beach, California, in 1968. This fair is to be known as "The California world's fair on transportation and communications" and will be conducted, tentatively, from April 27, 1968 to October 27, 1968.

DEATH FROM TRAFFIC ACCIDENTS AND LUNG CANCER

Question No. 1,400—**Mr. Mather:**

1. What was the total of fatal traffic accidents in Canada for 1963?
2. What was the total of deaths attributed to lung cancer for 1963?

Answer: 1. Number of deaths from motor vehicle traffic accidents, 1963—4,367.

2. Number of deaths from lung cancer, 1963—3,246.

QUESTIONS PASSED AS ORDERS FOR RETURNS

FEDERAL EMPLOYEES ENGAGED AND RELEASED

Question No. 874—**Mr. Hales:**

1. How many employees has the federal government hired in all departments in the last 12 months?
2. How many employees has the federal government hired in crown corporations in the last 12 months?
3. How many employees left the government in this period, for the following reasons: death, retirement, to take other employment, discharged?
4. How many of those who applied for employment stated that they wish to be examined (written and oral) in the French language?
5. How many of this group were so appointed?

Return tabled.

FEDERAL CONTRIBUTIONS UNDER JOINT PROGRAMS, CHAPLEAU COUNTY, QUE.

Question No. 994—**Mr. Laprise:**

1. How much did the federal government contribute toward work carried out under federal-provincial programs in Chapleau county, during the years 1960, 1961, 1962, 1963 and 1964?
2. How much money has been paid or is soon to be paid in respect of each of these projects?
3. Are projects to be carried out under joint programs in 1964-65 and in 1965-66 presently being studied and, if so, what are these projects?
4. Did the county of Chapleau receive any benefits from joint programs other than those for the execution of work, for example, under the fitness and amateur sport program, during the years 1960, 1961, 1962, 1963 and 1964 and, if so, what was the value of benefits in each case?

Return tabled.

SHARED COST PLANS—PROVINCIAL PARTICIPATION

Question No. 996—**Mr. Laprise:**

1. In how many shared cost plans does each of the provinces participate at the present time?
2. What is the nature of the plans and how much has each of the provinces received since 1960 or will each receive from the present time to the end of 1964 with respect to each such plan?

Return tabled.

FEDERAL EXPENDITURES, COMPTON-FRONTENAC CONSTITUENCY

Question No. 1,136—**Mr. Latulippe:**

1. To what extent did the federal government participate in work carried out in the constituency of Compton-Frontenac under joint programs in 1960, 1961, 1962 and 1963?
2. What amount has been spent or will be spent on each individual project?
3. What projects under joint programs are being considered at the present time?

Return tabled.

FEDERAL CONTRIBUTIONS TO ALBERTA

Question No. 1,162—**Mr. Horner (Jasper-Edson):**

How much money has the province of Alberta received from the federal government in each of the past five years as regards to (a) welfare (b) agriculture (c) forestry?

Return tabled.

DEPARTMENT OF INDUSTRY PERSONNEL

Question No. 1,251—**Mr. Doucett:**

1. To date how many persons are employed by the federal Department of Industry?
2. How many persons were transferred to the federal Department of Industry from other departments of government?
3. How many additional employees have been engaged other than those transferred from other departments of government?
4. What is the total annual payroll of the Department of Industry?
5. What are the total costs to the government of the Department of Industry?
6. What is the total payroll created by employees engaged other than those transferred from other departments of government?
7. How many offices does the Department of Industry retain in Ottawa and how many employees does it have in Ottawa?

Inquiries of the Ministry

8. How many offices does the Department of Industry retain in each of the provinces and how many employees are stationed in each?
9. Where are these offices located outside of Ottawa?
10. How many employees are there in the Department of Industry whose annual income is under $8,000 and how many employees receive over $8,000?
11. What are the names and qualifications of all employees in the Department of Industry whose annual income is over $8,000?

Return tabled.

COUNTRIES PURCHASING CANADIAN WHEAT

Question No. 1,351—**Mr. Horner (Acadia):**

1. What countries have definitely indicated a desire to purchase Canadian wheat in this crop year and in the crop year 1964-65?
2. How many bushels is it expected that each of these countries will purchase in the 1963-1964 and 1964-1965 crop years?
3. What will be the total dollar value of sales for each country for each of the two years?

Return tabled.

TEACHERS' SALARIES, CITIZENSHIP AND IMMIGRATION

Question No. 1,373—**Mr. Fisher:**

What is the salary schedule for teachers in the north engaged by the Department of Citizenship and Immigration including the description of the grade levels for each salary?

Return tabled.

VACANCY

Mr. Speaker: I have the honour to inform the house that I have received a communication notifying me that a vacancy has occurred in the representation, namely: of Gordon Chaplin, Esquire, member for the electoral district of Waterloo South, by decease.

Accordingly I have addressed my warrant to the chief electoral officer for the issue of a new writ of election for the said electoral district.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to ask the Secretary of State a question in connection with a matter I brought up the other day regarding the Kitsilano reserve in Vancouver. I asked him whether the Canadian Broadcasting Corporation has made an application to the Crown Assets Disposal Corporation for the land and buildings on this reserve. I am speaking of the area which was occupied by the airport. Second, I wish to ask the hon. gentleman whether this land is still controlled by or in the custody of crown assets, or whether it has been turned over to the C.B.C.

Hon. Maurice Lamontagne (Secretary of State): As far as I am aware the C.B.C. intends to make an application to crown assets in order to acquire new facilities in British Columbia, but I do not know whether or not this application has been made.

Mr. Diefenbaker: Then I direct a question to the Minister of Industry in this connection; I think he is in charge of this. Has an application been made by the C.B.C. and, if so, would the minister give an assurance that no action will be taken to transfer this property, which is needed for parkland purposes in Vancouver, until the fullest consideration has been given to the objections which have been taken thereto by a large number of people in Vancouver?

Hon. C. M. Drury (Minister of Industry): No; no such application has been made.

Mr. Diefenbaker: Should an application be made, is the minister prepared to give that assurance; because the head of the C.B.C. when he was out in Vancouver indicated that he was going to get this property regardless of the wishes of the people.

Mr. Drury: I think I can reassure the right hon. gentleman. Full consideration will be given to all proper representations.

Mr. Harold E. Winch (Vancouver East): It is awfully difficult for a member from Vancouver to get in a question on this subject in comparison with the right hon. member for Prince Albert.

An hon. Member: Get in earlier.

Mr. Winch: I have been on this for months, not just in the last week. May I direct a supplementary question to the Minister of Industry who is responsible for crown assets, and ask him if he can give the house any information as a result of a telegram, which I have made available to him, received from the Vancouver parks board commissioner this morning to the effect that this is the crucial week of decision. Can the minister state whether this is a crucial week? Are negotiations under way, or has a decision already been reached?

Mr. Drury: No decision has been taken. The president of the C.B.C. was himself out in Vancouver last week looking into this matter. He has since returned to Ottawa. Since then no formal proposal has been received from the city by Crown Assets Disposal Corporation in respect to this particular property.

Mr. Winch: Has any official representation been made to crown assets by C.B.C. officials?

Mr. Drury: I am not sure what "official representation" means. I repeat that no application by the C.B.C. to the Crown Assets Disposal Corporation to acquire ownership of this property has been received.

Mr. Winch: Did the minister also say the city of Vancouver—

Mr. Drury: I said we had received no submission from the city of Vancouver since Mr. Ouimet's visit to Vancouver.

Mr. Diefenbaker: A further supplementary question. Did the minister give any authority to any other minister of the government to offer a deed of half the 40 acres providing the C.B.C. got the balance?

Mr. Drury: No, Mr. Speaker.

EXTERNAL AFFAIRS

CYPRUS—REPORTED SECRET LANDING OF GREEK TROOPS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wish to direct a question to the Secretary of State for External Affairs and ask whether he has received any information from the secretary general of the United Nations as to what action that body intends to take with respect to the violation of the security council resolution, in view of the landing of Greek troops and the statement of General Grivas announcing a policy of enosis for Cyprus.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, we have been in touch with the United Nations over the week end and again today. The secretary general has reported to our ambassador at the United Nations that these matters are now under consideration but that he is not in a position today to make any statement or to give any indication of the course he intends to follows. I may say that there are important negotiations under way now in Geneva and elsewhere, but beyond that I cannot go.

Mr. R. N. Thompson (Red Deer): A supplementary question. May I ask the minister whether he has had any word as to what action is being taken to protect the water supply lines as far as British forces connected with the United Nations in Cyprus are concerned?

Mr. Martin (Essex East): Mr. Speaker, the United Nations command has advised us—and this was confirmed some time ago by the Minister of National Defence—that plans were naturally being prepared for any emergencies of that kind.

Mr. Thompson: Could the minister inform the house whether there is any truth in the report that Turkish troops have been landed on the island over the week end?

Mr. Martin (Essex East): Mr. Speaker, my hon. friend will perhaps recall the statement I made a week ago in this context with regard to the importation of arms. Beyond that and beyond what I said on Friday it is not desirable to go at this time.

LABOUR RELATIONS

NON-OPERATING RAILWAY EMPLOYEES—DISCUSSIONS WITH RAILWAY PRESIDENTS

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Transport.

As regards the problem the two railway systems the C.N.R. and the C.P.R., have to solve, that is, a salary increase for their employees representing a $57 million expenditure, could the minister reveal to the house the terms of the proposal the government is discussing with Mr. Crump and Mr. Gordon in order to help those two companies meet that situation? Could we have some information on the matter?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): No, sir.

[*Translation*]

Mr. Lessard (Lake St. John): A supplementary question, Mr. Speaker. Will that government proposal be submitted to the house so the members and the general public can examine it thoroughly before it is implemented?

[*Text*]

Mr. Pickersgill: I think the Prime Minister indicated in the house one day when I was not here that it was his impression that the

negotiations between the railways and the unions were apt to be resumed very shortly. I think it would be very desirable to allow these negotiations to take their course before others intervene to anticipate their results.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I should like to direct a supplementary question to the Minister of Transport.

The government plans to help these two railway companies by subsidizing their rates which are now frozen. Are the rates frozen upwards as well as downwards, since rates are being reduced at this time and, consequently, the income. Are those rates frozen to prevent them from increasing also?

[*Text*]

Mr. Pickersgill: Mr. Speaker, I do not think I should seek to anticipate the ordinary course of events in this matter.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to direct a supplementary question to the Minister of Transport.

Can the minister tell the house whether definite arrangements have been set forth between the Canadian government and the railway companies?

[*Text*]

Mr. Pickersgill: No, sir.

Mr. D. V. Pugh (Okanagan Boundary): A supplementary question. Have any assurances been given to the non-operating brotherhoods or to either of the railways that an increase in revenue to the railways will be granted by the government?

Mr. Pickersgill: No, sir.

AGRICULTURE

ARDA—INQUIRY AS TO PROPOSED CHANGES IN LEGISLATION

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Forestry.

Following the speech he made in Mont Joli during the week end, could the minister tell us what amendments the government is considering with respect to ARDA and when those amendments will be introduced in the house?

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, changes will be made to the agreements between the federal government and the provinces, but we do not know yet whether those changes will make it necessary to amend ARDA.

Mr. Martineau: Does the government intend to hand over to the provinces the full administration of that legislation?

Mr. Sauvé: Mr. Speaker, there will be no administrative changes in that connection.

[*Text*]

REQUEST FOR PRIORITY FOR CROP INSURANCE LEGISLATION

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the serious drought situation in several areas in western Canada at the present time, would the government not consider it imperative to give priority to amendments to the Crop Insurance Act over the flag resolution in the proposed schedule for the latter part of July?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the Minister of Agriculture will be back within two or three days, and I will direct his attention to this question when I talk to him later this afternoon. In the meantime I should like to inform the hon. gentleman that the Minister of Agriculture will be in Regina tomorrow to discuss the situation in that province with the provincial cabinet.

HEALTH AND WELFARE

APPLICATION FOR USE OF ANABLAST SERUM

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address to the Minister of National Health and Welfare what on the surface may appear to be a borderline question as far as the rules are concerned, but it deals with a matter of national interest. Did a Mr. Gaston Naessens visit the director of the food and drugs division on June 29 with respect to an application for the use of anablast in the treatment of disease; what were the conditions he was informed he must comply with in order to obtain legal sanction for the use of anablast, and what procedure was he advised to follow to comply with the directorate's requirements?

Mr. Speaker: The hon. member was kind enough to send me a copy of his question and I did not have much trouble in deciding that it was an excellent question for the order paper.

PROVINCIAL REPLIES RESPECTING CONFERENCE ON ROYAL COMMISSION REPORT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Acting Prime Minister, or perhaps it should be put to the Minister of National Health and Welfare. Have the provincial premiers yet replied to the letter of the Prime Minister written on June 26, asking for their views on the holding of a conference on the Hall commission's report within six months? If so, can it be indicated what are the views of the premiers?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I will take this question as notice and give a reply tomorrow.

WORLD FAIR

REQUEST FOR PRESENTATION OF PROGRESS REPORTS

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. First of all, I should like to compliment him on the excellent arrangements which he made for members of both houses to visit Expo '67 last Saturday. Would the minister consider having progress reports on Expo '67 made from time to time to the Canadian people by radio and television?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I would be glad to give this suggestion very careful attention.

DEFENCE PRODUCTION

ALLOCATION OF CONTRACTS IN MARITIME PROVINCES

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Minister of Industry. Is the minister now in a position to indicate the action to be taken by the Department of Defence Production with regard to defence contract allocations in the maritime provinces, and more especially for plants located at Amherst and Halifax?

Hon. C. M. Drury (Minister of Industry): Not yet, Mr. Speaker.

Mr. Coates: A supplementary question. Might the minister be able to give us some indication when he will be able to make an announcement in this regard?

Mr. Drury: I think in the very near future, Mr. Speaker.

FINANCE

REMOVAL OF TAX ON BUILDING MATERIALS AND EQUIPMENT

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Minister of Finance. Since the 11 per cent sales tax on building materials will cost $50 million to the Quebec hydro within five years, according to Hon. René Lévesque, is it the minister's intention to remove this tax which is prejudicial to the Canadian economy?

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker.

Mr. Pigeon: Why, Mr. Speaker?

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to ask a question supplementary to the one put by the hon. member for Joliette-L'Assomption-Montcalm to the Minister of Finance. Did the Quebec minister of natural resources ask the federal Department of Finance to exempt the Quebec Hydro from the 11 per cent sales tax on building materials?

[*Text*]

Mr. Gordon: Mr. Speaker, I hope my hon. friends will not think I am abrupt in taking their advice and answering these questions in the "yes" or "no" fashion which they sometimes urge; but the answer again is no.

TRANSPORT

SASKATCHEWAN—REPORTED SHORTAGE OF BOX CARS

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce, of which I have given him notice. In view of the critical situation with regard to box cars on the C.P.R. line, and particularly the Soo line between Moose Jaw and Weyburn, where a great many farmers have not been able to deliver their 8 bushel quota as yet, will the minister try to have this situation looked into at once so the farmers can have their supplementary quotas delivered before the end of the crop year on July 31?

Inquiries of the Ministry

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, as a result of the notice the hon. gentleman gave me I have already brought this request to the attention of the wheat board.

NATIONAL DEFENCE

SEPARATION PAY OF PERSONNEL ACCEPTED IN OTHER BRANCHES

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Is the minister in a position to inform the house whether a decision has been reached on a most important and immediate matter, namely the policy with regard to those who have received or will be receiving separation pay under the new plan of integration and who have been or anticipate being accepted into other branches of the armed forces?

Hon. Paul Hellyer (Minister of National Defence): I am sorry, Mr. Speaker; I do not think I understand the question.

Mr. Winch: It is my understanding, sir, that under this plan of integration a number of servicemen have been given their separation allowances; I believe they are receiving up to ten months' pay. However, a number of them have made application to join a different branch of the armed services and have been accepted. What is the position with regard to their separation pay?

Mr. Hellyer: As far as I know, Mr. Speaker, there have not been re-enlistments, but I would be glad to check into that. We certainly will make every effort to see that no one is compulsorily retired in advance of normal retirement age who could be usefully employed in one of the other services. I will check into this matter as soon as possible.

TRADE

WHEAT—INQUIRY AS TO FURTHER SHIPMENTS TO RUSSIA

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Could the Minister of Trade and Commerce give the house any further information regarding further shipments of wheat to Russia this season?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Well, Mr. Speaker, shipments to the Soviet union are now proceeding at an admirable rate. I do not think I need say any more about the prospects for the present season.

Mr. Smallwood: A supplementary question. According to a C.B.C. news report at seven o'clock last Friday night Premier Khrushchev was quoted from Denmark as saying that Russia would not be importing any further wheat this season.

Mr. Sharp: Mr. Speaker, I did make a statement in reply to a similar question either last week or the week before, and I would refer my hon. friend to it. I have nothing to add at the moment.

JAPAN—VOLUNTARY CONTROL OVER EXPORTS OF TEXTILES

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Minister of Trade and Commerce. Before the signing of the trade agreements between Canada and Japan, will the Canadian government provide a clause under which Japan would exercise a voluntary control on the export of textiles to Canada?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, discussions on this subject have been proceeding for some time. I can assure the hon. gentleman that his concerns are shared by the government.

POWER

COLUMBIA RIVER—REQUEST FOR STATEMENT ON FINANCING

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Finance. I apologize for not giving him notice, but I know the answer is quite simple. Is it the minister's intention to make a statement with respect to the complexities of the financing of the Columbia river treaty on the introduction of the next batch of supplementary estimates?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, the financing of the Columbia river treaty is a simple matter, as my hon. friend suggests, and it is my intention, when the supplementary estimates are before the house, to explain it in as simple a way as I can.

EDUCATION

LOANS TO STUDENTS—INQUIRY AS TO RESOLUTION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Acting Prime Minister. In view of the fact that the student loan legislation is one of the items on our agenda for this week, can the Acting Prime Minister say when the resolution preceding this bill will be on the order paper?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I will be making a statement on this matter tomorrow.

INCOME TAX

HOSPITALIZATION PLAN PAYMENTS BY EMPLOYERS TREATED AS INCOME

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of National Revenue, and this might be a good opportunity for him to get off on the right foot. My question is this. Will the minister rescind the instructions, now coming into effect, to have company contributions to the Ontario hospital services commission computed as income received by the employee?

Hon. E. J. Benson (Minister of National Revenue): Mr. Speaker, I am having this particular matter looked into. I do not think this involved any change in the law as it existed, but rather an enforcement of the law. However, I assure the hon. member that I am having this matter investigated.

CANADIAN FLAG

REPORTED SUGGESTION BY FINANCE MINISTER RESPECTING DESIGN

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have a question—

Mr. Speaker: Is the question very pressing? We are making very good time today.

Mr. Pigeon: Yes, it is very pressing, Mr. Speaker. My question is to the Minister of Finance. Is it the intention of the minister to make a speech in this house on the maple leaves flag?

Hon. Walter L. Gordon (Minister of Finance): I do not see why I should answer a question of that kind, Mr. Speaker.

Mr. Pigeon: You are evading your responsibility.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, this raises a matter of some interest. I listened to the Minister of Finance delivering his speech in London, in which he described Canada's new flag as having three maple leaves and two bars of gold. Has there been some change in government policy?

Mr. Gordon: Mr. Speaker, I had just come from a very excellent lunch at the Bank of England, and perhaps I was thinking in terms of more substantive things than colours.

Some hon. Members: Oh, oh.

NATIONAL DEFENCE ACT

AMENDMENTS RESPECTING REPLACEMENT OF CHIEFS OF STAFF COMMITTEE

The house resumed, from Monday, June 29, consideration in committee of Bill C-90, to amend the National Defence Act—Mr. Hellyer—Mr. Lamoureux in the chair.

On clause 1—*Duties of chief of the defence staff.*

The Chairman: Order. The house again in committee of the whole on Bill No. C-90, to amend the National Defence Act. Shall clause 1 carry?

Some hon. Members: No.

Mr. Harkness: Mr. Chairman, the bill before the committee provides for only one thing of importance; that is the abolition of the chiefs of staff of the navy, the army and the air force, and the substitution for them of one chief of defence staff. However, the debate on second reading, and particularly the proceedings and the evidence which we secured in the defence committee, show that a great deal more is involved than this; or rather, that a great deal more will flow from it.

What is actually proposed and what will result from the passage of this bill is a complete reorganization of the military side of defence headquarters. The present organization of defence headquarters is based on the existence of the three services, the navy, army and air force, each with its own head and its own definite line of command and communication running down to individual units. What is proposed is the disappearance of these three chiefs of staff and their headquarters staffs, and a substitution for them of a single defence staff which will take over all the functions previously performed by these three separate staffs. However, Mr. Chairman, the three services will remain.

This is provided for in the National Defence Act, and until it is changed we will still have the navy, army and air force.

One thing which was not made clear on second reading or in the evidence we secured in the defence committee was how the chain of command will operate. In particular, we received no evidence whatever as to whether the new system will not make for a great deal more confusion and will not be more cumbersome and less effective than the system we have at the present time. In my opinion this was one of the deficiencies in the evidence presented to the defence committee. Really all we had there was the unsupported word of the Minister of National Defence that in his opinion the new system would work better than the old. On the other hand we had evidence from people who had previously held important military positions that the reverse would be the situation.

One thing in particular I should like to draw to the attention of the committee is that under the new system it appears there will be at least four or perhaps five chains of command from the top down to the individual units, which in the final analysis will have to do any fighting or carry out other operations that may be required of them. I think this is clear from the chart provided to us in the committee showing the proposed new organization, in which under a chief of defence staff you have four main branches. As the minister indicated, this is an organization designed to operate on a functional basis rather than the service basis we have had in the past.

What we will have under this new system is a chief of operational readiness who will be responsible particularly for operational matters, for what used to be referred to generally as the "G" side or general staff side of any military organization. We have next a chief of personnel who will be responsible for recruiting, manning, personnel administration and services generally. Third, we have a chief of logistics and engineering, which function is again split into logistics generally on the one hand and engineering and development on the other. Under this would come, of course, transport, accommodation, the supply of food and all that sort of thing. Finally there is a comptroller general who is in charge of program management, establishment, organization generally and budgeting.

As I say, it would appear from this that as far as each individual unit or formation is concerned there will in effect be four bosses instead of one. You really have four distinct functions which are commanded by four separate people. So far as I can see you are going to have four channels of command and communication down to the people who in effect have to carry out the operation or do anything. Therefore I am doubtful, as I think a lot of other people are, whether this form of organization is not going to be more cumbersome, more difficult to operate and less effective and efficient than the one we have at the present time.

The basic purpose of the changes proposed is to secure unification of command and, from the minister's statements, the eventual unification of all the services. I have no quarrel with the idea of providing for unification of command. In fact, as I have said on other occasions, I think this is necessary and desirable. However, the method to be followed in order to secure this objective is a very different matter.

The United Kingdom, for example, has reorganized in order to secure unification of command, and various other countries have done the same thing; but they have done so on a basis completely different from the one proposed. I mention this merely to show that unification of command can be secured in other ways. The particular plan which has been put before us and which it is proposed to put into operation is by no means the only plan which could be followed in order to secure unification of command, and in the minds of a large number of people it is a considerably inferior plan and one not likely to work as effectively as, for example, the one that has been adopted in the United Kingdom.

In connection with the discussions we had in the defence committee in regard to this whole matter, the minister made out that one of the great virtues of his proposal was the cutting down of the channels of communication from the services to himself from six to three, in effect reducing his direct military advisers from four men to one man, from the present three chiefs of staff of the services plus the chairman of the chiefs of staff to a single chief of defence staff.

I submit this is a weakness rather than a strength. I think there is no question but that experience in this and in all other countries has shown that separate, independent military advice to the minister responsible for the defence activities of the country is an advantage rather than otherwise. For the minister in effect to make himself dependant on one source of military advice only handicaps

his ability, I think, to get at the real situation; to get independent and frequently differing opinions as to the course of action which should be followed. Thus I believe that under this new system the minister will be in a much poorer position to assess what should be done and what course to follow than would be the case under the sort of system we have had, where he has had the benefit of advice from the head of each of the separate services on how a particular problem is going to affect them, whether the solution proposed is practicable and so on.

This really comes down to what is frequently referred to as the supremo concept, having one supreme commander. This has been tried in the past. In fact this system was in effect in Great Britain up to 1904, when the Esher commission reported that the inefficiency and many of the semi-military disasters and difficulties that the British had experienced over almost 100 years following Waterloo up to that time, the difficulties they had had in the Indian mutiny, in the Crimean war, in Egypt and in the South African war, had arisen to a large extent because of the inability of one supreme commander to effectively control the military organization and give the proper type of advice to the minister responsible.

You had the same situation in Germany, where the chief of the general staff was the supreme military commander. This situation prevailed in Germany, of course, before 1914 and again under Hitler. In that case you had really a separate power and authority within the German state, and I believe most historians will agree this situation was responsible to a large extent for the catastrophe of the first world war.

Now, on the basis of history—and it is only on the basis of what has happened in the past that we can assess a proposal of this kind—I submit that the proposal to revert in Canada to the concept of one supreme commander is not a reasonable one or a good one. It is not likely to work out or to give us as efficient or effective defence forces as a modification or a reorganization of the present set-up in order to give the advantages of unification of command.

There has been a lot of criticism of this proposal, particularly as to what the effect will be if you take away the three chiefs of staff. Air Marshal Curtis, who was one of the witnesses before the defence committee, a former chief of the air staff, had this to say as recorded at page 164 of the committee report of June 9:

> I feel that to do away with the chiefs of staff is a terrible thing to do to the services. I do not care what you do, you are not going to have one service immediately. You may get it in 20 years but, in the meantime, our services are going to go down hill both in respect of morale and spirit.
>
> I feel the three different services are like ships without a rudder; they are tossing around on the sea without a chief or a leader to lead them. That is what the C.A.S. is, the same as the C.G.S. and the C.N.S. And, you cannot substitute a chairman who is removed two or three times and who is bound to be from one of the other services. He cannot possibly have the same intimate knowledge of every service that the chiefs have.

I do not believe there is any question about it; that is the general idea that is held by most senior officers who have occupied the position of chief of staff at one time or another in the past. I have heard this same opinion expressed by an other former chief of air staff and by some former high ranking army and naval officers. I do not believe there is any question about it, that to place the amount of work which is required in the hands of one man by having a single defence chief on whom all of the responsibility for organization and operation of the military forces falls, is to impose too heavy a burden. It is not possible for one man, no matter who he is, to carry out that responsibility successfully. In my experience certainly the chiefs of the navy, army and air force were always fully occupied, as was the chairman of the chiefs of staff. Now it is proposed that the work formerly done by these four men will be done by one man. I doubt very much whether it can be done as well or as effectively.

If I may turn from that for a moment, Mr. Chairman, I think perhaps the greatest weakness in the proposal is that the minister has no idea as to what will happen below defence headquarters. The only thing about which we heard in the defence committee was what was going to happen in the reorganization of defence headquarters. When questions were asked as to what was going to happen below defence headquarters, how this so-called unification or integration was going to work out in the field generally, the minister's only answer was "We do not know yet; this will all fall into place. This will develop after we have reorganized the staff at defence headquarters. Then that staff will go ahead and get the rest of the services integrated", or unified or something else along that line.

It seems to me that this is an extremely naïve approach. It is starting to do something, starting to change a system completely, without any real idea where you are heading or

how you are going to get there. I would say the minister is like a man who is starting out on an unknown sea without a compass, without knowing really where he is going to arrive when he crosses the particular body of water immediately before him.

There has been a great deal of talk about the integration of the services. However, we have had no definition of what the minister means by that term. One time he talks about unification, another time he talks about integration; and so far as the members of the committee are concerned I think some of the questions that were asked indicated the minister was not able to supply a clear explanation of what he means by these terms. He has no clear concept in mind as to what integration is going to mean to the defence forces of this country below national headquarters itself.

This, of course, makes for a great deal of uncertainty and confusion on the part of the people in the defence forces. In the meantime the minister has said that 500 air crew are being discharged or have been given their notice. Statements have been made that there will be a reduction of some 10,000 personnel in the forces, and naturally this has caused uncertainty and worry on the part of the people in the defence forces. At the same time you find that bases are being closed down and ships are being decommissioned, so naturally under these circumstances you are going to have a considerable reduction in morale.

Unfortunately this is exactly what is happening in our defence forces. I think generally the morale of our defence forces was as high as any in the world, but the uncertainty that exists as to the future of the personnel, as to whether they are going to get the axe some time in the future, what their function is going to be, whether their units are going to disappear—all these things have had an extremely serious effect on morale.

This was mentioned by more than one witness, but Air Marshal Curtis mentioned the experience he had in talking to both senior and junior serving and retired officers of the services. At page 180 of the evidence he is reported as saying:

> —I would think that a lot of our technical officers can go outside and earn twice as much money as they are getting in the service. I would not be surprised to see them start to go and take jobs which offer pay better than they can receive in the service.

Then I asked him this question:

> [Mr. Harkness.]
>
> I am very much afraid not only about technical people particularly but also about the actual fighting units and those in command positions and so on who are sufficiently able that they can get jobs quite readily in civilian life and they will be doing this in large numbers unless the present situation is cleared up.
>
> Mr. Curtis: That is my feeling, yes.

I do not believe there is any doubt but that those who are acquainted with people who have served, and know personnel in the services, have had exactly the same experience as Air Marshal Curtis has had and as I have had. A considerable number of the people with whom I have talked in the services are very worried about the future of the services and about the future of defence in this country, as well as their own future. As a result of this, increasing numbers of them are looking about for outside jobs. We are in very grave danger of losing a considerable number of our best general service command officers and technical officers unless this uncertainty is brought to an end, and unless people can know definitely what the future is likely to hold for them.

The chief difficulty here is that the minister does not really understand the importance of morale, that you can quite easily destroy it and that it is extremely hard to rebuild. The course he has been following so far is one designed to break down morale, to destroy the spirit of the forces, and we are likely to get into a serious situation from that point of view, as I have indicated, unless something definite is done to reassure the men.

The chief difficulty along this line, as I have indicated, is that the minister seems to have no clear idea of what he means by integration of services or how this will take place. He was been unable to say what will happen so far as the services are concerned. On second reading I pointed out the distinction which must be made between the administrative and fighting units. I pointed out that the integration of administrative functions can take place and should take place, but integration or unification of fighting units will not work. It will destroy fighting effectiveness. You must continue to have a ship as a fighting unit, an air squadron as a fighting unit, an infantry battalion as a fighting unit, and so forth.

In that connection I gave two or three examples, one of which was that it would be impossible to send the commander of an artillery battery to command a destroyer escort. Anybody who has any knowledge of military matters knows that is the situation, but the reply the minister made on that oc-

casion has caused a great deal of dismay to a very large number of people in the services. This is what he said, as recorded at page 3188 of *Hansard* for May 12:

> The hon. member said an artillery officer could not command a destroyer. That may be so, but I suspect that an artillery officer might find himself quite at home with a naval gun after a brief familiarization period. Certainly many of the basic skills involved are the same.

To anybody with any experience this was a very dismaying statement. The minister did not know what he was talking about. This is not a workable concept. It is one of the things which has added to the uncertainty, and to the idea in the minds of a lot of serving officers and other personnel that the minister does not know where he is heading or what he is doing. He went on to say:

> I think there should be no doubt left in anyone's mind as to what is intended. This unification of the command of the three armed forces is, as stated in the white paper, intended to be the first step toward a single unified defence force for Canada.

The only meaning you can take out of that is that all the present units, organizations and what not are going to disappear. But in giving evidence before the committee, at one point the minister said "Well, of course, the present naval units and army units and air force units will continue." As I have pointed out previously, it is essential that they should continue. You cannot have fighting forces unless you have units of this kind, but the minister's statements are contradictory and confusing to people. As a result neither the general public nor the people in the armed forces who are most affected, and whose general efficiency is at stake, know what the minister means or where he is headed. I hope this situation will be cleared up rapidly, and that a definite statement will be made as to what is going to happen below defence headquarters level.

If the minister still has any idea that by integration all the fighting units are going to be rolled into one shapeless mass, then the sooner he comes to realize that that is impractical and would destroy the fighting effectiveness of our forces the better off he, the government, the country and the defence forces will be.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Chairman, in taking part in this debate on Bill No. C-90, I should like to point out briefly that the subject of the bill in itself covers a somewhat narrow field of action since it limits the debate, I think, to the appointment of a chief of defence staff, who would replace the committee which was presided over by the chief of staff of the armed forces.

This bill comes within the over-all project of the Minister of National Defence (Mr. Hellyer), providing for the unification of the armed forces and a rather substantial reduction in the number of servicemen. I believe that the step we are taking today is a step in the right direction.

If this debate is to be rather limited in time, it is merely because the question has been discussed at length by the defence committee. In my opinion, we had at that stage the opportunity of getting the information we sought, even if the replies were not always quite satisfactory and in line with the ideas one might have on the subject.

I feel that the reduction of our military forces is a good way of saving Canadian taxpayers millions of dollars. However, I should like to repeat here what I said in committee. It seems to me that the chief of defence staff, who will make the decisions, under the minister, will still have to be surrounded by advisers because he will be unable to make all the decisions by himself. He will have to take into account the recommendations made by the experts around him.

When you consider the military development in this country and see the mistakes made time and again in the procurement of defence material, the efficiency of those people is doubtful, if they continue to have the same advisers as before, the same men who, for instance, favoured the development of the Arrow aircraft, or the construction of the Bobcat military vehicles, or those who encouraged the government to acquire submarines in England.

When, in the past, those individuals made some mistakes which, today, are deplored and criticized from all sides, I wonder what we can expect if, in the years to come, we continue to employ those supposed experts in matters of defence, who nevertheless, encouraged the government to buy equipment which proved obsolete, after being only a short time in use, involving considerable expenditure of the Canadian taxpayers' money.

Mr. Chairman, I think that this is both a most sensitive and delicate point, because in the rapid evolution which is taking place at this time in the technological field, it is certainly difficult to establish what result machinery which it is proposed to buy at this time may give in the years to come, and how long it may remain efficient, before being replaced. Indeed, if, today, we buy some equipment which will eventually be

replaced tomorrow because it has become obsolete, I wonder again if we should not, at that time, simply avoid expenses as considerable as in the past, because Canada cannot afford to spend such considerable amounts as our neighbours to the south for buying equipment which, to all ends and purposes, will become obsolete the next day.

The minister will probably have to give special consideration to the recommendations he will receive from the military experts, because the general public is always asking itself certain questions. Indeed, the question is often asked: why did they buy that, if it will not be any good tomorrow? That is when it is rather hard to explain such expenditures to the taxpayers and to answer their questions, when we realize what is going on almost everywhere and we see how money is spent in the field of military defence.

Many taxpayers tell us about things happening in military camps, with special emphasis on the waste of public funds, the misuse of equipment and of everything available to the soldiers. Naturally, I do not intend to go into details, because I realize people are inclined to exaggerate some of the irregularities that may have been committed.

Moreover, I understand that, in the administration of such an important department, mistakes and squandering are unavoidable, but I think that the department should have a special committee, made up of people outside the Department of National Defence and whose members would not be responsible even to the chief of staff, who could go from one military camp to another to check on the spot what is going on and prevent abuses, if any, and see whether it would not be possible to save the equipment and the time of the men now in the armed forces.

Mr. Chairman, there is another point which I would like to discuss briefly and I think that I could do so now. I refer to our military colleges and our young people who are contemplating a career in the armed forces.

Since the total establishment will be reduced, the minister will have to rely on markedly improved equipment and on efficient men. I am not suggesting that our present military leaders have no knowledge or efficiency. Far from it. I feel that our military personnel is intelligent, but I think personally that our military colleges should be given more importance so as to train men with a broader outlook than that of soldiers who rose from the ranks and were promoted after many years of service or because of experience acquired in the armed forces. I know that experience is an excellent thing, that it is a supplement, but I feel that basic education is most important and will greatly help our future military men to take charge of rather large units to which they will have to give the training they received themselves.

In short, one might say that the army should insist on quality rather than on quantity and try to improve its efficiency.

In this connection, I cannot help thinking of our military colleges, and I hope that it will be possible to extend the curriculum in order to encourage our young people to stay there after they have received their training. As a matter of fact, we see that a number of them now leave the armed forces after their three years of service.

I know that the service term has been extended to four and perhaps even five years, and I feel that this is a good thing. In my opinion, the necessary steps should be taken to encourage young people to stay at military camps, and more especially those who go to university, since statistics establish that the majority of those who are trained in universities, thanks to subsidies from the Department of National Defence, leave the army afterwards.

Of course, this is not a total waste for the country, since those young people who come back to civilian life generally render to their fellow citizens services they might not have been able to render had they not received such training, thanks to the help of the Department of National Defence.

I heard a while ago the hon. member for Calgary North (Mr. Harkness) say that he is deeply concerned with the lower morale of our military men. He stated that they are worried about the future. I wonder, when he was responsible for the administration of the Department of National Defence, if he was so concerned about unemployment and the morale of the unemployed, because they could also be as concerned as the military people are today.

I do not think they have reason to be more afraid than any other Canadian citizens because through technological and economic progress they are affected in the same way as the factory worker who tomorrow will be replaced by a machine. As a matter of fact, I do not see why our soldiers' morale should be low. It should be as good today as it was yesterday because Canadian citizens do not see why the soldiers' morale could be good yesterday when they had guns but no ammunition. Would it be better to have more soldiers without guns and ammunition? I do not

think their morale can have been affected to that extent.

Mr. Chairman, it is obvious that the public is wondering in this connection, but I feel that every Canadian must realize that momentous changes are taking place. We are not in the thick of a shooting war and the present hot or cold war, call it whatever you want, is subsiding, and I do not see why the military would want to keep an army of 200,000 to 300,000 men for the sole purpose of giving them jobs.

Mr. Chairman, some people would like to see the total strength boosted to 200,000 from the present 120,000. As far as I am concerned, I do not think that the reduction of the strength to 110,000 men, a reduction of 10,000 men, would affect the morale of the forces in general. As a matter of fact, I think the morale of our servicemen will improve when they know what action the Canadian government intends to take to maintain its military forces in Canada.

Will our military force simply be a police force, a peace keeping force, as some are advocating? Perhaps. In any case, if that is what is in store for our military forces, I think our servicemen would be happy to be informed about it, so that they may prepare themselves to play whatever role is to be assigned to them by the government and the Canadian people as a whole.

Mr. Chairman, I believe that with this Bill No. C-90, we are taking the first step that will likely result in a reduction of our military expenditures. Personally, I can but support this measure, because I always considered—and I never had any proof to the contrary—that the Canadian government was allotting too large a slice of its budget—26 per cent—to military expenditures.

There is hope that the amounts thus saved will be even greater in the future and that we can use them to bolster our economy in a more rational and practical way.

[*Text*]

Mr. Hellyer: During the course of the short debate we had on Bill No. C-90 last Monday a number of points were raised which had already been discussed during the hearings of the special committee on defence. The hon. member for York-Sunbury asked whether we considered the experience of other countries concerning integration of forces. Of course we did, Mr. Chairman. Steps have been and are being taken in many countries toward a more integrated organization. While it is true that other countries have not proceeded to the extent contemplated here, the trend is unmistakable and in my opinion inevitable. As far back as 1945 testimony given before the United States congress was of some significance on this subject. General of the army Douglas MacArthur had this to say:

> The great lesson for the future is that success in the art of war depends upon the complete integration of the services. In unity will lie military strength. We cannot win with only backs and ends. And no line, however strong, can go alone.

General Eisenhower, speaking of his experiences in world war II, said:

> Unity of command in the field, so vital to our success, was not easily achieved. When war came at Pearl Harbor we had joint command. It was not until we surprised the enemy in North Africa that the first large scale example of unified command emerged. But it was a new device and there were many difficulties which yet remained to be overcome. All of these had to be met and surmounted during actual operations when lives were at stake. In my opinion, those difficulties grew directly from the traditional separation of army and navy, which is the inevitable outcome of the present organization of our military departments. Separation at the top necessarily fosters separation all along the line.

In April, 1958 in a message to congress, General Eisenhower made his recommendations:

> Separate ground, sea and air warfare is gone forever. If ever again we should be involved in war, we will fight it in all elements, with all services, as one single concentrated effort. Peacetime preparatory and organizational activity must conform to this fact. Strategic and tactical planning must be completely unified, combat forces organized into unified commands, each equipped with the most efficient weapons systems that science can develop, singly led and prepared to fight as one, regardless of service.

The hon. member for Calgary North quoted the opinion of Air Marshal Curtis with respect to the discontinuance of the chiefs of staff of the single services, but I should like to quote from an even more senior air force officer. As far back as 1947 the former head of the R.A.F. bomber command, marshal of the Royal Air Force Sir Arthur Harris, wrote a book about his experiences, and in his conclusions he strongly urged one fighting force. He made the point that:

> There is only one answer to this otherwise inevitable tendency in each of the services to get tied to a particular and invariably obsolete weapon, and all weapons are obsolete as soon as they are in use. There must be only one service; the survival of three of them at this stage in the development of armaments is wholly idiotic, and there never was any reason or need for them at any time.

That is the opinion of one of the most senior officers, who played a very significant role in world war II. Field Marshal Montgomery has, of course, stated his views on this matter of unification on a number of occasions. Talking

before the royal united service institution in October, 1955 he said:

> It is a grave question whether any large military organization which is not closely integrated and gripped tightly at the top can adapt itself successfully to the required speed of modern life. If this is not done, the lack of adaptability of the organization as a whole will tend continuously to promote individual service interests over those of the nation concerned. Under such conditions, politicians have to step in to keep things going; they do this in the only way they know, that is, by the creation of more committees and by additional bureaucracies for co-ordination and arbitration above those already existing.

Speaking in 1963 in the British House of Lords on the British government's plan for the integration of service ministries he said:

> The committee system of management is totally unsuitable in a fighting service in modern times.

Both the hon. member for Queens (Mr. MacLean) and the hon. member for Winnipeg South Centre referred to the testimony given by Brigadier Malone before the special committee on defence. The hon. member for Calgary North also referred to this point of view. In particular their remarks concerned Brigadier Malone's reference to the Esher committee. This committee, which brought in its recommendations in 1904, concerned itself specifically with the organization of the war office. The committee had been established following evidence of a general breakdown in administration of the British army during the South African war.

It has been suggested that Lord Esher recommended the establishment of an army council as opposed to a commander in chief to administer the British army for the reason that it was dangerous to have one man in over-all control. This was not the reasoning behind the recommendation of the Esher committee; certainly there is no evidence in their report to indicate that it was. It must be remembered that at the time of the report the British empire flourished in all its glory and the British army had responsibility all over the world. In fact, to quote from the report, the extent of these obligations did not allow the commander in chief to have an intimate knowledge of all the operations and activities of the British army of that time.

The principal recommendation of the committee was in reference to the appointment of area commanders, to be responsible for the effectiveness of forces under their command. It is eminently sensible that a commander in the field is better situated to prepare his forces for combat than is someone hundreds or thousands of miles away. This

principle was recognized and put into effect in the British forces. It is also a long established part of the organization of the Canadian army.

The Esher committee also recommended an army council to administer the service. A chief of the general staff would be appointed who "freed from all executive duties and those of peace routine would be required to supervise the training and preparation of the army for war, and to study military schemes, offensive and defensive". The Esher committee made a distinction between the army council and the chief of the general staff, although he was the first military member of the council. Over the years, and presumably based on experience, the chief of the general staff has become in fact the chief of the British army, and represents that service as a member on the present British defence council. The Canadian organization is similar. What is proposed at the present time is the application of the same system on a tri-service basis. With changing circumstances, especially the trend toward combined operations, military organization must be adapted to the times.

The suggestion that there is a clear relationship between the commander in chief of the British army in 1904 and the proposed chief of defence staff does not hold water. The British North America Act provides that the Queen is commander in chief of the Canadian forces. By letters patent, command is delegated by Her Majesty to the Governor General who exercises it on the advice of the cabinet and the Minister of National Defence.

Under the proposed section 19 only "control and administration" are given to the chief of the defence staff, not command. In command matters the chief of defence staff is the senior adviser, but is not a commander. May I also suggest that the hon. member for Queens (Mr. MacLean) is incorrect in respect to the responsibility of senior officers to parliament. Only the minister is responsible to parliament. Senior officers, whether or not their appointment is created by parliament, are responsible to the minister only.

The hon. member for Calgary North has stated that in his opinion we would have in the new organization at least four or five chains of command because of the functional organization. I have pointed out previously, Mr. Chairman, that this is not so. The system is the same as we now have. It operates in a similar manner to the present organization

within each of the three services. As I have explained, the area commanders will report directly to the chief of defence staff, and the functional organization will be in support of the chief of defence staff in the manner similar to that of the present military organizations. The difference in our proposal is simply that we will have one organization for the whole defence force instead of three independent organizations.

Mr. Martineau: Four, instead of three.

Mr. Hellyer: The hon. member said that the three services, according to Air Marshal Curtis, will be like ships without a rudder. Naturally I do not agree. I think they will be like ships with synchronized rudders, whereas sometimes in the past the three ships had their rudders set on a different course and were headed, one would expect, for quite different destinations. The waters may be uncharted, but I can assure hon. gentlemen that we have a compass, we know where we are going, and we will keep a sharp lookout for rocks and shoals on the course.

The subject of morale has been raised by a number of speakers, in particular by the hon. member for Edmonton West and the hon. member for Calgary North. May I say, Mr. Chairman, that generally speaking morale in the armed forces at the present time is extremely high, particularly in the field. I have just completed a tour which involved visiting personally most of our units overseas, and I can assure hon. members of the house that their morale is excellent. They have no fear or apprehension whatsoever about their future or the future of the defence organization of Canada.

Mr. Pigeon: In Cyprus too?

Mr. Hellyer: In Cyprus too. I have never seen men with better morale than those.

Some hon. Members: Hear, hear.

Mr. Hellyer: Naturally when there is a reorganization of the scale proposed at the present time there is uncertainty, and particularly at national defence headquarters there is some uncertainty. We have said that we are going to do the job with fewer people. Inevitably there is some wonderment as to who the people will be that will be required in the future. I think the best way to restore the morale in this situation and to restore certainty is to pass this bill and let us get on with the job.

The organization is proceeding, planning is proceeding, and we will be in a position to cut over to the new organization within a few weeks of the time parliament passes this bill. In so far as the cut-over is concerned, I can assure hon. gentlemen that there will be no diminution in our effectiveness. The fighting units will be kept in the same high state of efficiency that they are in at the present time. Special effort is being made in this regard, and I have no doubt whatsoever that our fighting units will be just as effective as they have ever been and that there will be no loss whatsoever in this regard during the period of changeover. I can also assure hon. gentlemen that we will proceed just as quickly as we can without at the same time making too many mistakes. We want to get on with the job, and at the same time we want to make sure that each step is carefully thought out.

I would like to repeat for my hon. friend for Calgary North something that I had thought would be self-evident to everyone, but which apparently is not. That is, we will still have, as I have said before, squadrons of ships, squadrons of planes, battalions of men, and it does not matter whether these are in three services or one in so far as their operational effectiveness is concerned, their effectiveness will depend on their commanders. They are well commanded now and they will be in the future. But in order to effect the maximum savings in the organization and the administration, which the hon. member subscribes to and supports, and to have a military machine which is most responsive to the needs of the second half of the twentieth century and best adapted to combined military operations now and in the future, a single, unified force is the best answer by far; and I am sure that history will prove this to be correct.

I think no one should vote for this measure who has any doubt in his mind as to what we propose to do. It is true that the bill is limited in the sense that it merely replaces the chairman of the chiefs of staff and the chiefs of the individual services with a chief of defence staff. But let there be no mistake about it; we are going to reorganize national defence headquarters on a functional basis; we are going to try to make it responsive to the special circumstances in which we find ourselves at the present time. Then after that we are going to make whatever savings we can in other areas, in logistics, training and area commands so we will have the maximum savings available for the purchase of new equipment for our armed forces.

We have stated categorically in the white paper—and this is at least our intention; this is our belief, and without it we would not be proceeding as far as we now have—that what we propose is a single, unified defence force for Canada, one which will be responsive, streamlined and effective to do the job now and in the future. In this regard we are, I think, ahead of some of our contemporary nations. But we have a responsibility to go ahead; we have an opportunity which is unique, and I think this house has a responsibility to pass the bill and make it possible for us to get on with the job, to show that we have the right solution, and to put it into effect just as quickly as possible.

Mr. Pugh: Mr. Chairman, it is rather satisfying to have the minister make a full statement in this house and in the committee, but there is one thing on which I should like to comment. That is that the minister has been sort of going back on the many eminent soldiers, sailors and airmen who have made statements previously in this connection. I may say at the start that I am wholly for this integration, but it is the lack of information that the committee had and the wonderment all through the armed forces that has bothered me.

As a preliminary question I would like to know from the minister about the proposed change in staff. Has any information been sent down through the three branches of the services setting out what possible changes may be made in personnel? How many have already passed into civilian life as a result of these proposed changes? I am wondering whether the minister could give me that information now.

Mr. Hellyer: There have been very few, Mr. Chairman, in addition to the 500 aircrew who were given notice some time ago. In respect of orders having gone out, the orders are being prepared now, not in relation to reductions in personnel but the method of reporting. This information will be available, we hope, within a few weeks, so that when the time for cut-over comes it can be done without any disruption.

Mr. Pugh: Mr. Chairman, I would ask the minister whether the 500 aircrew who received their notice and have now gone were part of the over-all plan, or was this something that was thought of ahead of time? I am trying to jibe this in my own mind. Was this part of the long term, ten year plan about which we heard? Were these initial 500 aircrew part of the ten year plan, or was this something that was started ahead of time and just happened to coincide in timing with the change of staffs and the integration of the forces?

Mr. Hellyer: I think in fairness, Mr. Chairman, it can be said that the 500 reduction in aircrew was not directly related to the change in organization mentioned in the white paper. The surplus of aircrew resulted from two or three circumstances; first of all, from the build-up in personnel following the Berlin crisis, when a number of short service commissioned officers were re-engaged in order to provide additional aircrew if required. These were not required. Consequently they became surplus and have remained surplus throughout the months since that time.

In addition, some of the changes announced during the discussion of the estimates last year resulted in a reduced requirement for air traffic controllers and a few reductions in the establishment for aircrew officers. These made up the balance of the total. So as far as the 500 aircrew are concerned, although they have been retired at this time one certainly could have justified their being retired whether or not the proposed reorganization had taken place.

Mr. Pugh: Mr. Chairman, I have no further thought on that point. Prior to the minister's statement just now, were the services made aware of the fact that this action was not a part of his 10 year plan but was just a general chopping off of 500 aircrew? Have they been made aware of the fact that it is not a part of the over-all plan he now proposes to bring forward, which may involve the removal of a great many more from the services? The minister says these 500 were signed on again for a period. Were they personnel who had indicated that they wanted to make the service their career? Were they taken on for a definite time, and have they been cut off before that time? What are the circumstances?

I think the minister can appreciate that I am concerned about the state of morale in the armed forces at the present time. It is all very well to say there is high morale among our troops in Cyprus, but that is a permanent force. It is all very well to say there is high morale throughout the services, but I have received a very different impression from correspondence and from talking to officers myself. It is my impression that the feeling is that what is being undertaken now is very bad for morale, and I am wondering how soon the services will be made acquainted with the situation. The minister mentioned the ship

which has a tri-service rudder, and I say all the more power to it. He also mentioned uncharted shoals. Just how many uncharted shoals is he going to have to navigate around?

I am asking these questions because of my concern about morale in the services, and because there are a great many men in all three branches of the services who may receive notice tomorrow or six months from now. To what extent are personnel acquainted with the fact that soon they may be removed from the careers in which they thought they had set themselves for the rest of their lives?

Mr. Hellyer: Mr. Chairman, I think there has been some uncertainty in respect of the reasons for the discharge of the 500 aircrew officers because of the timing. I think most of them probably know the reasons for it. They have simply been surplus to requirements and their retention could not be justified. The expense was very heavy. If any mistake has been made I believe it lies in the fact that this reduction perhaps should have been made several years sooner than it was. It could have been, and I can demonstrate that if you really want me to do so.

Mr. Churchill: Go ahead and demonstrate.

Mr. Hellyer: So far as the short service commission officers are concerned, they are chaps who in most cases are not making a career of the armed forces but who are in the services for stated periods of time. They were re-engaged by mutual consent for a further period of time on the expectation, of course, that they would be required for that period of time.

So far as the question of notices is concerned, it will not be possible to be too definitive for some time to come. There will be no large scale retirements for some time. We will have to work out the establishments one at a time, starting with national defence headquarters. I think adequate notice will be given to everyone. We will naturally proceed just as expeditiously as we can so that everybody will have the maximum amount of notice. This cannot be done overnight, however, because the establishment in each branch has to be worked out carefully, and you cannot give notice to individuals until you know who is required for future employment and who is not.

Mr. Martineau: Mr. Chairman, I have a few questions to ask the minister. With reference to his previous answer, has he an overall estimate of the number of men who will be released or affected by the proposed integration? I ask that question because there have been conflicting answers.

Mr. Hellyer: Just the ball park figure that has been given many times of approximately 10,000 over a period of several years. May I reiterate that the great majority of these will be by attrition. I cannot say precisely what the percentage will be, but I have already indicated publicly that probably 75 per cent or 80 per cent of the total reduction will be by attrition, so the number of people who will be retired involuntarily in advance of the compulsory age is not too great, certainly not in relation to the total number and the total turnover.

Mr. Martineau: The minister said his purpose was to effect a single, unified force. Is the bill before the committee simply the first step in that direction? If so, what is the second step he has in mind, and will that also involve legislation?

Mr. Hellyer: We have stated that this is the first step. This was set out in the white paper. The steps which can be effected as a result of this legislation involve the reorganization of headquarters on the basis I have outlined. In order to proceed beyond this to the replacement of the three services by one, for example, additional legislation will be required.

Mr. Winkler: Mr. Chairman, in the course of the minister's remarks he referred to the morale of the services, particularly on the continent and in Cyprus. I suggest that if the morale of these forces is not high, morale will not be high anywhere. Unfortunately I have not had the opportunity to visit these forces and see the conditions under which they are functioning at the present time. I will not deny the minister's statement with regard to the forces in those fields of operation, but I certainly do refute his statement with regard to the forces serving in Canada, on the basis of the conversations and communications I have had with members of these forces. They feel that a beginning could have been made by endeavouring to see what could be done with the existing organization before instituting the present plan.

I have my personal views in regard to the bill under consideration today. With reference to the quotations the minister read into the record from statements of chiefs of staff of previous years such as Bomber Butch Harris, I might say that I knew him personally because I had the privilege of serving under

his command for quite a time, and I appreciate such views. I know fully what he had in mind, and so far as general thinking along these lines is concerned I would be inclined to be receptive to such views.

However, the one thing I must reiterate concerns the morale of the people currently in the forces. I do not believe that morale within the country is too high. I believe a clearer picture must be presented as to what the future will hold for the personnel in the services. The minister has just made an explanation of what will occur over a period of years. However, when the initial statement was made the public had the idea that an immediate saving of taxes was going to be made. Now we find that is not the case.

I had the privilege of returning to my home not too many weeks ago and speaking to a young man who was one of the 500 who had been discharged. He was lamenting his future and the future of his wife and family. Being a jet pilot in this age and being out of work is not the nicest thing that can happen. One does not change one's vocation in life without some misgivings or without a tremendous effort, and in many cases some sacrifice. The minister explained at great length that he felt the trend toward unification was inevitable. I must agree; I think that is most certainly the case.

Then we must ask ourselves, how do we start? Statements appeared in the press that so much money was going to be saved the taxpayers and that there was going to be a reduction in personnel during the course of time. The statement that so much money was going to be saved the taxpayers was somewhat misleading. We do not know precisely what the plan is. The white paper refers to the plan in general terms. I think it has been characteristic of this government to be rather misleading in this general field. If we co-operate with the other countries in the world with whom we must co-operate in the future, then surely we cannot expect we are going to save the taxpayers tremendous amounts of money. We should be given details as to where we are going to save it.

The general public should be told what the future plan might be. Are we going to reduce our navy by a number of ships? There are hardly any left now. Are our planes going to be effective in Europe when they are not at the moment, unless a great amount of money is to be spent on them? I suppose the army will finally fit into the picture when the bill is passed. Then we hear people in the country asking, what is going to be the role of the militia? Will there be any role left for them? I think the minister should give us some of this information, and he should tell us what this is going to mean to the various provinces of Canada.

Recently we have heard about the extraction from the maritimes of certain areas of industry which are extremely important to that part of the country so far as the economy is concerned. Surely these proposals might also have a tremendous effect on this part of the country. Let the minister tell us what this is going to mean to the maritime provinces. This reduction in the forces could affect their economy. The minister has said it is inevitable and must take place. Let him tell us what the effect will be on the provinces. Let him tell us what the role of the militia will be in the future, so people who have devoted a large amount of time to this phase of our military organization will know what the future holds.

At the moment, as the minister is aware, representations have come from my particular part of the country, not from my constituency but from my part of the country in regard to the role the militia is to play. I am not going to mention any names because I am not referring to this to embarrass the minister or the government in any way. The people are wondering if the forces are integrated whether or not these units will be available for service to the country in time of need, and even in peacetime. I think we are entitled to have these answers. I hope the minister is prepared to give us this information before the debate closes.

Mr. Fisher: Carried.

Mr. Lambert: It is obvious the hon. member for Port Arthur has little or no interest in this matter. He sits there and just mouths "carried" from time to time. However there are certain things I should like to indicate to the minister at this time. We are asking a number of questions at this time because after rereading the transcript of the evidence given to the committee I must say it was lamentable that the minister should withhold so much information. I was not present during all the committee hearings on this bill. However I have noted that there were many general statements made.

I believe this has become a general practice with the minister. When he was over here as the defence critic for the opposition, he used to cry to the heavens about the minister of the day being reticent in giving information. Well he was a chattering jackdaw compared to what this minister has

become. The minister has become a sphinx. I have never seen a minister who held back so much information that properly should be the property of the house or the committee. Naturally we asked for reasons. It is not sufficient for the minister to merely say "Well, I think"—or "We thought", or "Based on information we had we did this"—or did that. We want the reasons because this is a far reaching change. The announcement of it was accompanied with the greatest amount of ballyhoo this country has seen for many years.

The white paper referred to savings of $100 million on a ten year program, although the ten years was never mentioned in the white paper. There were some very carefully prepared news releases in this regard and the newspapers generally swallowed them whole. We saw headlines to the effect that million dollar savings were projected for national defence. How misleading. It is true that subsequently the minister said, after he was pushed into the position, that this would be achieved over a period of years. The impression remained with the public that national defence budgets were going to be reduced by a billion dollars over the next ten years. We knew this was not the case. The minister indicated later on, quite properly, that what he was trying to do was to get some money out of the administrative side to spend for new equipment. He has not got a monopoly on that. His predecessors were trying to do that as well.

The minister knows that the former member for Esquimalt-Saanich, when he was minister, indicated to the defence expenditures committee of 1960 and the estimates committee of 1958 how this problem was worrying the government and the senior officers of the department. Therefore there is no latter day discovery made by this minister. There is here an attempt to find some money by a reorganization of the command structure and it is accompanied again with a great deal of ballyhoo as to unification. There is great confusion between unification and integration.

You can have unification of command down to a certain point, but integration of forces means everybody wears the same uniform. You may call them A, B and C units; you may call them numerical units of the defence forces, but when they all wear the same uniform this is the ultimate in integration. The minister would be very wise to make a definitive statement on how far he is going to go. This afternoon he waffled on both sides of the question. He made a statement about a former president of the United States and he gave us a quotation.

Frankly all that General Eisenhower, the former president of the United States, referred to was unity of command, citing his experiences in the European theatre where they had a supreme commander allied forces, a unified command; but surely it goes beyond the limitation of any reasonable comprehension to read into General Eisenhower's words that every sailor, airman, and soldier would be in the same uniform.

Mr. Hellyer: He said he would put them in the same uniform if he had his way. I think that is a direct quote. I can produce it if you want it.

Mr. Lambert: Then perhaps instead of having the minister in that cartoon with the highland soldier, with his kilt and shillelagh, we should have General Eisenhower. But in any event, referring to some of the problems of morale, there is a great deal of merit in unification of command but I have some reservations about the methods being used by the minister. There is something to be said for unification of command, but I have very definite reservations as to this so-called integration if it means one force one uniform.

The hon. member for Calgary North referred to this when he mentioned the minister's statement about the artillery officer serving on a destroyer. If the minister thinks his proposals and his statements have all that acceptance within the armed services, I do now know to whom he has been speaking. He must know that in his position as minister people talk to him a lot less than they did when he was just the hon. member for Trinity, on the opposition benches.

Mr. Hellyer: Just the opposite.

Mr. Lambert: I think the minister is wrong. He is patently wrong or else he is hearing those things he would like to hear, or the things people think he would like to hear, not the things that the men down in the ranks want to tell and do tell. If the minister thinks he is getting a true picture of the morale in the lower ranks, both at the officer and other ranks level, he had better get his head out of the sand because he certainly has it buried right there now.

At the beginning it was claimed that these proposals would result in a savings of $100 million, and would mean a reduction of about 10,000 in command personnel. Where is this $100 million going to be saved, and how? This is what I would like to know. It is not

enough for the minister to say we are going to save $100 million. This whole program is so fundamental that the minister owes it to all members of the committee to say how he is going to do it.

I hope he has not just plucked this figure out of thin air because it looks nice and round. It has a resemblance to 100 days or 60 days. These are nice round figures and they look attractive, but surely the minister is working on something better than that.

He will not break any security or anything like that by saying it is their estimate on the basis of best judgment that they are going to save so much over the next few years on contributions to pensions, or payments out of the superannuation fund, or other housekeeping costs, because the saving has to be within the housekeeping. He cannot find it elsewhere, or else he is taking money from the wrong source. This has to be $100 million from housekeeping costs.

Why does he specify this 10 year period? We never heard anything about 10 years in the white paper, but it was mentioned in a press release.

Mr. Churchill: It is not in the white paper.

Mr. Lambert: I hope the minister will be able to correct me if I am wrong. On rereading the transcript of evidence taken before the committee I find it was definitely indicated there might be about 2,000 personnel compulsorily retired, that unification of command would be the first step. Then there would be recommendations and they would go at it step by step. But is this the way to do it? As recorded at page 73 of the transcript of the committee proceedings, a question was put to the minister by the hon. member for Vancouver Quadra. First of all the minister objected to the question by saying:

> I think you are getting into an area of questioning which we agreed not to take up because it relates to decisions yet to be taken as a consequence of reorganization. We deliberately decided not to answer all these questions before proceeding. We decided to amalgamate the high command and let them work out the answers to questions like the ones you are asking this morning.

Incidentally, this had to do with questions of basic training—would there be common basic training.

> I think it would be better if we waited until these things have been considered by the defence staff, and recommendations come forward and decisions are taken.

There are other statements by the minister to this same effect, that this unification is the first step toward a single united force for Canada; and then there is this indication that we are going to go at this step by step, that we will examine the field, go one step forward and then look around. It is as though a man who had decided to put up a building were to say: First I will put up the four walls and the roof, and then I will look at the building and decide what to put into it. Surely this whole program had to be considered in its entirety before arriving at the conclusion which the minister proposes as to the unification of command. I cannot conceive it otherwise. If so, why the withholding of information? We would like to have the reasons. We are not asking for names of officers or civilians who may have recommended this or that. But let us have a frank disclosure of what has motivated the government to propose this reorganization of the forces. If the reasons are given to us, I think the government has much more hope of finding a wholehearted acceptance of this proposal throughout the country and among the armed services.

We come to this question of morale. Here again, as a result of a question asked this afternoon by the hon. member for Okanagan Boundary we find that these 500 aircrew are not part and parcel of this reorganization scheme they are separate. This is the first time it has been indicated that these men are not part and parcel of the reorganization. The minister was asked to give us reasons, and he said the previous administration could have done it. Pressed for reasons, he did not give us one reason why the previous administration could have brought about some reduction in aircrew. I listened to his words most attentively. He got on to something else. He did not tell us one reason; he tried to evade the question.

Mr. Hellyer: I was trying to be kind.

Mr. Lambert: The minister knows the Berlin crisis was in 1961. These aircrew were added as the result of a "beef-up" of Canadian forces from 120,000 to 135,000, part provided by the air force and part by the army and navy. Let us not hear this minister tell us that the number of these aircrew could have been reduced years ago by the previous administration. That is a lot of nonsense. The build-up only took place in 1961. If I remember correctly, it was in the latter part of 1961. Let us look back. The Berlin crisis and its consequences did not disappear overnight. Does the minister think one could have signed these men to serve for a period of years and then, six months later, said: The crisis is over; you are out. It could not possi-

bly have been done. There is no chief of air staff who would ever dare say to the government: I need another 6,000 or 8,000 men for six months. He would not be able to get past the minister if he had the foolhardiness to make such a recommendation. So the minister's statement was patently wrong. He could not give any reasons to back up his remarks, and he knows it.

The minister says we are moving forward one step at a time. He admits there are many questions which remain to be answered because events cannot be foreseen. But what steps has he taken to guarantee that he will not run into some real shoals or troubled waters, to use his own phrase, which would materially affect the integration scheme? How does he know he will not run up against a blind wall?

The minister may smile. I seem to remember when he was over on this side of the house, and when things were explained to him it was not done with any supercilious air. I am very serious when I am discussing this subject. There are problems which come to mind, and the minister has no monopoly on genius in the working out of a plan for the defence department. If the hon. gentleman can tell us what problems were envisaged and what solutions have been thought out to deal with those problems, then surely there would be a quicker acceptance of this plan. There are people, whether in the service or not, who foresee problems. This gives rise to doubts. The minister may have answers to the majority of them. Why cannot he give them to us? We were promised a full explanation in our consideration of this subject earlier but I have never read one which was more barren of information or which would lead us to the conclusion that the minister was doing anything else but asking the house to accept something which he had recommended.

As a classic example, there was a carefully prepared brief put before the committee by Mr. R. S. Malone recommending a variant to the minister's proposal. It introduced a defence council within the hierarchy of command so that the chief of staff would not be the one and only adviser to the minister; the minister and the chief of staff were part of the defence council. I should like to refer to page 146 of the evidence before the committee where Mr. Malone, as reported, points out the dangers which might arise in connection with the proposal the minister is now making for the appointment of a single chief of national defence. I should like to hear the minister counter Mr. Malone's argument. He is obviously not prepared to accept them. Let us have the reasons. His present attitude is not good enough. With the committee's permission I should like to read the first two paragraphs on page 146 and then a further paragraph reported on page 147 of the transcript of evidence.

> May I also illustrate my point by the experience of Arthur Balfour one half century ago, when the British army was commanded by a single commander in chief. He held that having had no part, either personally or through his representatives, in the decision making process up to that point, the minister must either accept his experts' recommendations, in which case his superior authority is mere form, or he may enter into a debate on the pros and cons of the project and start afresh, in which case he has in effect rejected his experts' advice. Either way he has placed himself in a false position. The experts prevail over him, or he, a layman, overrules them, with consequent loss in time, effort, money and morale.

And I would add, confidence.

> Assume for a moment that we could find a paragon of all the virtues to occupy the post of chief of the defence staff; in fact, a commander in chief. Look at the position in which he would be placed. All his professional associates would be junior to him, accepting his directions and orders and therefore not likely to challenge his decisions and no power to veto his projects.
>
> Above this one, top expert or professional soldier are the amateurs or civilians—

And I am sure Mr. Malone in referring to them as amateurs or civilians did not imply anything derogatory, but the minister or the cabinet are not professional soldiers—

> —in many cases not qualified or prepared to question his professional advice.

I think that is only fair comment.

> It is hard to believe that such a top chief would not have some blind spots, some professional biases, some personal prides or fixations which could cause disaster. Surely the matter of national defence and the huge costs involved should not be subjected to such hazards. Certainly from an individual standpoint it is much easier to operate by yourself and be the complete boss and not have the problem worked through a committee, but it is not the individual interest we are thinking of here but the question of what is the right thing for the country.

In addition to that, I would point out one further difficulty, and that is that the two persons involved are to be very dominant personalities. There we would have a clash of which a summer thunderstorm would be but a pale shadow. Because if the minister is not such a dominant personality but his chief of national defence is a very dominant personality—and we have had some in this country; Canadian services have not been without them—then the minister will be a mere tool in the hands of the chief of national

defence. On the other hand, if the minister is a very dominant personality and his chief of national defence is but a run of the mill type, then I think we are in the position where the minister would be also chief of national defence, to whom we could apply the old adage: "Why hire a watchdog if you are going to do your own barking?"

I come now to a further statement of Mr. Malone as reported at page 147 of the report.

> For a minister to deal directly with individual military experts is to place both minister and expert in a 'false position'. The minister, he said, must either confirm the expert's decision, in which case his position as superior authority is a mere form, or he must enter into the reasons for and against and decide afresh, in which case the expert becomes superfluous. It is bad organization to have two men (the minister and the expert), one over the other, to do the same business.

Mr. Malone proposes that the defence council, instead of being an appendage and acting in an advisory capacity only—which is the proposal of the government at the present time—and composed of capable men who sit off to the side and are not in the chain of command, be replaced by a defence council presided over by the minister and composed of those same people but in the chain of command. Decisions shall be not those of the chief of defence made direct recommendations to the minister. The minister and his defence council, including the chief of national defence, shall formulate the decisions. The British have gone even further because they have introduced many more civilians into their defence council. I do not think I have to go into the details of that because the minister is quite well aware of which I speak.

Admittedly one may ask: How do you know their system is any better than ours? They have had experience of this supremo concept which is now being introduced and have got away from it. They are in the position of formulating a judgment decision on the basis of experience for the type of services they have had—ours are patterned on theirs—and they have decided that their organization is better suited to today's requirements. True enough, the minister has been able to quote from certain individuals who, based on wartime experience, feel they should have complete domination. Because who but himself would have been the number one in the eyes of marshal of the royal air force Sir Arthur Harris? I think with all due respect to Viscount Montgomery we all know who would have been number one there: He would have been. It is human to want to have it all under your own thumb. But surely to goodness the

words I have read when citing Mr. Malone to the effect that it is for the good of the country rather than for the good of the individual are more important. We are not looking to the interest of the individual today but to the interest of the country.

Having said that, Mr. Chairman, I should like to hear the minister's real criticisms of Mr. Malone's proposals. Those criticisms may be perfectly justified but for goodness sake let us hear them, because we have not heard them yet. Mr. Malone's comments are dismissed as though the exercise before the defence committee was a matter of form.

The Chairman: Order. I have to interrupt the hon. member to say that his time has expired, unless he has unanimous consent to continue.

Mr. Lambert: If I may be allowed 15 seconds I can close off my peroration, Mr. Chairman. There are a few other matters, depending on the minister's reply and other items which may come up, which I may want to raise; but this is my initial reaction to the minister's statement and to the evidence given before the defence committee. Surely we can establish a greater degree of confidence by a greater disclosure of information. We are not asking for the impossible, as the minister knows. What we are asking for is actually somewhat less than what he felt was right when he was on this side of the house.

Mr. Winch: Mr. Chairman, I will not take more than a very few minutes, but I do want to express the fact that I am at a loss to understand the ways in which this debate is proceeding, and to understand how the members of the official opposition who have spoken, the majority being members of the defence committee, are speaking in this way.

Mr. Lambert: You are wrong there.

Mr. Winch: The majority of them. When this bill was up for second reading I believe a full discussion was had by the representatives of all parties on the broad, general question of defence. There was no limitation of debate. When the debate was concluded the bill was referred to the special committee on defence. That committee met each Tuesday and Thursday for several weeks. A steering committee was appointed composed of members from all parties. From that steering committee unanimous reports were brought back to the general committee regarding the procedure to be adopted and the witnesses to be called. I, sir, was a member of that steering

committee and I have no recollection of any witness being asked for who was not in fact called, whether it was the minister of defence, the associate minister, the deputy minister, former chiefs of staff, or someone from outside.

We heard the witnesses in the special committee. They gave their evidence. Committee members asked their questions and made their comments. There was no closure; there was nothing of that nature in the committee. Any witness whose attendance was requested was there, and any questions asked were answered. Any comments a member wanted to make, he made. Then after meeting twice a week everybody agreed about this, and as far as the steering committee knew no one else was desired to be called. The committee then sat down to consider the bill itself. Mr. Chairman, that bill was considered clause by clause. After our weeks of meetings, questions and answers—

Mr. Lambert: Four.

Mr. Winch: My hon. friend says "four". He was away for a while. We held more than four meetings on this bill.

Mr. Lambert: Read it in the proceedings.

Mr. Winch: I never missed a meeting. We held more than four meetings. This bill was considered clause by clause; it was accepted clause by clause. Finally the question was, "Shall the bill"—I am referring only to the bill—"be reported?" The bill was unanimously, without amendment, referred back to this House of Commons. I find it absolutely extraordinary that members of that committee are now asking questions in the House of Commons, and did when this bill was before us a few days ago, which are exactly the same as those asked in the committee. They are using the exact arguments and the exact protestations as were used in the committee. If we are going to have a bill before a committee, I am going to say for approximately one month, and if it is reported unanimously—I refer just to the bill itself and not to all the aspects that might flow from it eventually—and then in the House of Commons we have to go through exactly what was done in committee, what is the use of sending a bill to committee?

Some hon. Members: Hear, hear.

Mr. Winch: What is the use of sending a bill to committee, on which there was all-party representation on the steering committee, and in the general committee, which unanimously recommended that the completely unchanged bill be reported, if this procedure is to be followed? I refer only to this bill. I think something amazing is taking place when we have time after time members, who were also members of that committee, rising and reiterating what took place in the committee itself.

I just wanted to make that statement, sir, because, much as I would like to do so, I am not going to go into all the aspects of defence and all the aspects of questioning. That was why the committee was set up; that was our job in committee. Then after all our consideration we recommended unanimously that as a first move this bill be accepted by all of us and pass this House of Commons. I hope that in the future, having done a job in committee, we will not have a repetition of questions and answers in the house with regard to a unanimous report. The time for general discussion on defence policy was on second reading, and we had it. The time, also, is on the estimates or on a policy statement made by the Minister of National Defence. But the time is surely not now, with regard to a bill that after study unanimously passed the defence committee.

Mr. Lambert: Mr. Chairman, I would like to take violent exception to the remarks of the hon. member for Vancouver East. For one thing, with regard to the speeches made this afternoon, the hon. member for Okanagan Boundary is not a member of the defence committee; the hon. member for Grey-Bruce is not a member of the defence committee, and if the hon. member will remember—

Mr. Winch: I said the majority, on the two days.

Mr. Lambert: As I said, I have spoken twice. I was absent on all but the first day of the hearings of the committee. I re-read the evidence. Perhaps the hon. member has not done so.

Mr. Winch: I didn't have to do so; I heard the evidence.

Mr. Lambert: However, Mr. Chairman, I have this afternoon limited myself precisely to the question of unity of command, integration and retirement. In fact I did not consider the third report with regard to involuntary retirement. Perhaps the hon. member would indicate just where I went beyond these very narrow issues. I would say also, Mr. Chairman, that he has falsely represented the position. I am not going to say he has deliberately done so, but the hon. member has involuntarily

misrepresented the position. In so far as this question is concerned, having re-read the evidence, and considering what the hon. member has said, I do not retract one word I have said about asking the minister to give us further information.

Mr. Smith: Mr. Chairman, I was and am a member of the defence committee. I attended I think as many meetings as did the hon. member for Vancouver East. I think I listened to the evidence with as much care as he did. I did not avail myself during the committee meetings of the opportunity of making so many statements about things. I think the hon. member misconceives the purpose of a committee. Surely we know in this house that there is no such thing as a minority report; that if a report is submitted, it is the report of the committee. When the bill which is reported comes to the house for passing, that is the time when those hon. members who heard the evidence have a duty to make statements and comments on the bill. They are required to do this.

The statement I am going to make shortly is in my opinion in the nature of a minority report. This is my feeling about the report that was made and about the bill, and I do not apologize to anybody for making these remarks. If we are going to reorganize our defence organization, we are going to reorganize it for a long time; and if the house has not a day or two to listen to the comments and criticisms of the proposed reorganization, I think some people who loudly protest their great love for democracy know less about it than they claim.

Mr. Winch: Why didn't you do it at the last meeting of the committee?

Mr. Smith: Because this is the proper forum; this is where that criticism should be made. The purpose of the bill is commendable, in a sense, if we are going to make the armed forces more efficient and better operated, or if we are going to effect real and substantial economies. Those are commendable purposes, and they have been loudly proclaimed in headlines and press releases all across the country. But when we look behind the headlines and the press releases we begin to wonder if the efficiency and the savings are not much more apparent than they are real.

The criticism with regard to the command situation has been that with the chiefs of staff committee there has been no effective head to translate their views or to arbitrate between them, and that the Minister of National Defence has had to listen to too much divided counsel and too many different views and has not had a good system of evaluating those views. So we now have the proposal for a single chief of staff who will evaluate the views of all the various heads of the services and then present them to the minister. I do not know that this will improve the quality of the advice the minister will receive. Nor do I think it will provide the proper civilian evaluation of the views that the chiefs of staff or heads of the armed services put forward, and that the minister should have before he acts upon them. Presumably that was the purpose of the reorganization but I do not think that high purpose will be carried into effect.

We are told that this new set-up is going to cut down the number of people reporting to the minister and to the chief of staff. In the committee we were given a chart showing that there would be a chief of operational readiness, a chief of personnel, a chief of logistics and engineering and a comptroller general and were told that these men would report to the chief of staff. Two meetings later we asked questions about what the position of the heads of the navy, army and air force would be and we were told that they too would report to the chief of defence staff directly. Therefore instead of having a committee of chiefs of staff composed of four people we are now going to have a committee of seven. This seems to me to be the first indication that in the battle to cut down the armed services Professor Parkinson is going to win, and not the minister.

The minister is very popular in United States military circles at the present time. As a matter of fact, he has just become the man in the purple suit in a well known American magazine. I suggest that when he was reorganizing the services he might have looked a little closer at the recent reorganization in the United States department of defence. If he had he might have made provision for a small group of civilian technical advisers who could weigh and decide on the military hardware that we are talking about buying with all the money we will have for such equipment if we reduce the armed services by 2,000 people. We are going to need very careful evaluation of such equipment, and I think this was the time and place for the minister to provide himself with a small number of adequate and highly trained civilian advisers to advise him as to the value of the various weapons and defence systems that are proposed for us.

The other criticism I have of the new command structure is that it gives little or no

status whatsoever to the defence council. Indeed in the charts provided to us in the defence committee the defence council is not even enclosed by a solid black line but rather has dotted lines around it. Along with the rather casual attitude that the minister has taken toward the defence council, this indicates that little if any use will be made of it in the new organization and, indeed, there will be even less civilian advice for the minister in the future than there is now.

Brigadier Malone gave evidence before the defence committee. His main complaint about the Department of National Defence in the past has been that there is not enough civilian control. Indeed, he puts forward that very problem in his article in the Winnipeg *Free Press* of May 28, 1963, dealing with the suggested reforms in the Department of National Defence. In that article he said that too often civilian intervention has come too late in the decision making process to be effective, and went on to say:

> A good deal of the authority which was once exercised by civilians—most notably during the war when each service had its own cabinet minister and deputy minister—has gone by default to the chairman of the tri-service chiefs of staff committee and to the individual chiefs of staff. In the absence of civil leadership these officers have been forced to make policy decision which in a democracy should really be made at the political level.
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> Under the present system, for example, it is not uncommon for the services to be working for months or even years on new weapons, spending large sums of money on investigation, research, design and so forth before seeking civil approval. By the time such a project reaches him for final approval, the Minister of National Defence faces the dilemma described by Arthur Balfour a half century ago, when the British army was headed by a single commander in chief: Having had no part, either personally or through his representatives, in the decision making process up to that point, the minister must either accept his experts' recommendations, in which case his superior authority is mere from, or he may enter in to a debate on the pros and cons of the project and start afresh, in which case he has in effect rejected his experts' advice. Either way he has placed himself in a false position. The experts prevail over him or he, a layman, overrules them, with consequent loss in time, effort, money and morale.

It would be very interesting if the minister would describe to us in detail how under the new organization he proposes to make good the lack of civilian control and supervision at an early enough stage. We have been given all sorts of glorious figures about saving $100 million and cutting 10,000 people from the armed services, and told how we are going to be able to buy a lot of new weaponry with all the money we are going to save. But I wonder whether we are going to save it. Each time one questions the number of persons who are being cut from the armed services the number is less than it was the last time. Each time the cost of living goes up, and surely it has gone up fast enough even for my friends opposite in the last year, the savings are reduced and we are able to buy that much less new weaponry.

The other ground to which the minister presumably would turn would be better buying and more efficient administration. In all his discussions he has been curiously reticent about the position of the Department of Defence Production in relation to the new organization of the Department of National Defence. I suggest to him this is where there should be some real reorganization and where there are some real savings to be made. On this fascinating chart with which we have been supplied we have a chief of logistics and engineering. Under him will come design, development, test, evaluation, inspection and quality control. In the six years I have been a member of the house those are exactly the things the Department of Defence Production has been supposed to be doing with regard to ships, airplanes and all other types of military weaponry. Is the Department of Defence Production going to be dropped completely or are we just getting more duplication here?

I could give the house some examples of places in which savings could be made because of bad administration in the past. I have to mention the Avro Arrow. I am not mentioning it from a political point of view because that is aside from the administration of the department completely. One of the things that forced the decision on the Arrow was the absolutely fantastic and uncontrolled costs in connection with the Arrow. What is the minister doing to change the Department of National Defence and the Department of Defence Production in order to reduce the type of waste that occurred in connection with the Arrow?

Then there is the Starfighter. The decision to acquire the Starfighter was a political decision in the sense that it was a decision that had to be taken by the politicians. We hear now that it will have to be redesigned and that will cost another $50 million in order to make it work. These are administrative decisions made by the experts and no politician could possibly know about the design of the Starfighter. What is being done to make sure there will not be $50 million more wasted on the next weapon we buy? This is where the minister could make some saving.

Then I should like to refer to the naval drawing office. We find that the pumps on H.M.C.S. *Provider* do not work and that the hangars are not big enough to hold the helicopters. No politician designed those. No politician knew about them; he had to accept the advice of the experts. Let the minister tell us how he is going to correct these situations. Is he going to bring the aircraft procurement and naval procurement sections of the defence production department into his department? Is he going to put them under civilian control? This is where some real savings could be made, rather than in the lopping off of 2,000 men from the armed services.

These are the questions to which the committee would like answers. We deserve answers before passing this bill. We do not need any long statement about the good will of the minister. We need to know how he is going to exercise effective civilian control. How is he going to do it? How is he going to make our procurement more efficient, not just putting things on a chart, but what are his plans? These are the things we must know before we can have any hope of more efficiency in the armed services.

Mr. Coates: Mr. Chairman, I am going to announce at the beginning of my speech that I am not a member of the defence committee. I regret very much having to make that statement because I believe all members are elected to this House of Commons to state their views in this arena. The fact that they may or may not be associated with a committee does not in any way limit what they may wish to say in this chamber. I get quite upset and irritated by statements from members of the smaller parties who endeavour to cloak themselves in purity by trying to give the people of this country the impression the official opposition is endeavouring to obstruct the government. The official opposition is merely trying to do its job by endeavouring to secure the information that we should have before decisions are made about the legislation before us.

Certainly, this is the only thing the hon. member for Vancouver East endeavoured to accomplish when he spoke today. I, for one, am most anxious to discuss this bill and ask the minister certain questions to which I hope I may be able to secure answers, in an effort to understand better how I should vote on the measure when that time arrives.

I was impressed, Mr. Chairman, by the remarks of the minister concerning morale in the forces. Being a member from Nova Scotia, I am especially impressed because a large part of the Royal Canadian Navy is located there. If the minister feels that morale in our forces is excellent, I would suggest he take a trip to Halifax and talk to some of the men in that arm of the forces. I have found no high morale in the navy, and I do not think anyone else has who has been speaking to anyone in the navy. As the hon. member for Queens-Lunenburg says, the situation is just the reverse. These men do not know where they are going and that is the reason we are asking questions today. We want them to have a better appreciation of what is happening. I see no reason why we should not continue to ask these questions over and over again until we get the answers. This will give personnel in the armed forces an opportunity to know what their future is, whether they are going to be employed in the navy, for instance, or on civvy street.

There is another matter which has only come up within the last few days to which I must refer, so that the people in the maritimes generally can appreciate what is happening. Ever since this government has taken office we have seen substantial cut-backs in our armed forces, in our defence contracts and in everything associated with national defence. It has been a case of cut, cut, cut and nothing more nor less. They talk about alternative programs, but we never seem to see them. We are most anxious to see them, or if we are not going to see them we are most anxious to know that so we will have some appreciation of what we are going to have to plan for in the future in order to replace what has been taken from us.

Today I asked the Minister of Industry to indicate to me what the plans are for the future in so far as defence contracts are concerned. He is not yet ready to tell the people who are unemployed in my constituency or in the constituency of Halifax. I certainly hope he will be shortly and that he will be able to indicate a long term program that will allow us to prepare ourselves for whatever is to come in this regard. I should like to ask the Minister of National Defence this question: Is there a change of policy on the part of the government in so far as defence establishments are concerned in the maritime provinces? May we still expect the preference, if you want to call it that, given by the former administration which resulted in the people associated with defence establishments in the maritime provinces having some certainty

as to their continued association with these defence establishments? This is an area that is beclouded. It has been beclouded since the minister started to make statements of policy relating to the cancellation of the general purpose frigate program, the suggested elimination of the reserve base at Summerside, the elimination of the naval repair depot at Point Edward and the elimination of the radar station outside Halifax.

I would like to know what are future prospects in the field of new equipment for the navy. Are the shipyards in our area going to be given the same type of attention that they received in the past? We have suffered from the cancellation of almost $100 million in contracts.

The Chairman: I would like to interrupt the hon. member and ask him if his remarks are related to the clause before the committee?

Mr. Coates: They are related in this way, that the minister is talking about the unification of command and we do not know what is involved with this. We do not seem to be able to get the information from him. If he gives us an indication of the different things that are related to this, and how it relates to the R.C.N., the R.C.A.F. and the army then we will have a better appreciation of the effect unification will have on these various aspects of the forces.

Associated with this is a substantial decrease in the size of the forces, a reduction of 10,000 personnel. Though this is supposed to be associated with headquarters we would like to know if it is going to fan out so that it will affect bases in the maritime provinces. We have a substantial number of bases there. We have a large army establishment at Oromocto, in the riding of my hon. friend from York-Sunbury. We have the large bases at both Halifax and Cornwallis, and the repair depot at Point Edward. We have the R.C.A.F. at Greenwood, Summerside and Chatham. Therefore you can see that we are very much involved in what happens to the defence forces and how unification will affect them.

I would like the minister to tell us how his policy will be associated with the policy that was built up over the years, and which placed emphasis on the location of bases and men in the maritime area. When everything else is equal the economic factor is taken into account, and we would like to see no damage done to the economy by restricting any of the operations in this area. This is very important from the maritime economic viewpoint.

We in the maritimes do not expect the people in the rest of Canada to bear all the burden, and that we bear none. At the same time we would like some clarity in statements from the minister, indicating exactly what he is going to do. Basically the minister seems to desire to keep everyone in the dark. He does not seem to want to make the public aware of what he is doing. If he is as proud as he tries to indicate of the actions he is taking, then there should not be any reason for him to want to hide what he is doing. Instead there should be every reason in the world for him to let the public know. If he is so certain of public approval he should do everything he can to make the public fully aware of what is happening.

Certainly if he wants this bill passed he should be taking action to see that the members of this committee are fully informed of future plans, in so far as that is humanly possible. He does not do this by sitting in his seat. He can do it by answering questions as intelligently as possible. I do not have anything more to contribute to this debate. I was anxious to ask the minister these questions and I feel there are many other members in the same position as I am. I do not believe they should be accused, whether directly or indirectly, of endeavouring to obstruct the government by asking these questions.

Mr. MacEwan: Mr. Chairman, I want to endorse what the hon. member for Cumberland has said, of course keeping within the limits of the bill before the committee. The minister owes it to the Atlantic area to answer any questions put to him.

As has been said by other speakers this afternoon, the claim has been made that a great amount of money will be saved as a result of these changes, but the suggestion has been made in other quarters that a lot of these savings are being affected by transferring certain liabilities from the Department of National Defence to other departments. I am not prepared to go into that at length this afternoon, but I understand that is the case.

I think I should deal for a moment with an answer the minister gave to the hon. member for Okanagan Boundary regarding aircrew personnel. The minister stated that the 500 aircrew personnel released were not part of the 10,000 personnel who will go under the integration program. I believe the minister should go into detail on this, because in answer to a question which I placed on the order

paper the associate minister—I am subject to correction on this—stated it cost approximately $85,000 to train aircrews. I suggest the minister should calculate this amount of $85,000 for training as against how much it will cost the treasury to let these trained personnel go.

The hon. member for Cumberland referred to defence establishments in the Atlantic area, and this brings in the matter of shipbuilding. I do not intend to go into detail, except to point out that when the minister announced these cut-backs in January last, these cut-backs which presumably were part of the unification and integration program, many newspapers in the Atlantic area reported that the cut-backs hit Nova Scotia hardest.

One picture which appeared in the Halifax *Chronicle-Herald* of January 10 this year, and which I have kept in my files, shows one of the ships that have been placed in mothballs, the H.M.C.S. *Quinte,* which was last refitted at the base in my riding, and under the picture it states:

> Halifax was home base for the minesweeper when this photograph was taken—soon it will become a resting place.

Many people in my area are a bit leary about this integration program. They feel that many things are coming to a resting place in mothballs, and that they may never be replaced.

The minister stated earlier that the study in connection with the provision of antisubmarine vessels would be ready in July and, as I understand from the press, about a week ago he said a final decision about what would be done with regard to antisubmarine warfare would be taken within 60 or 90 days.

Mr. Hellyer: I did not say that.

Mr. MacEwan: That is what I understood.

Mr. Hellyer: Then you did not understand it correctly.

Mr. MacEwan: I am subject to correction if that is not the case. In any event, when this study is produced I suggest the minister get off his fanny and start work on a new antisubmarine plan. If there are to be new submarines, too, perhaps he will tell us where they figure in his plans for the future. He knows well enough that it takes a long time to get ships off the drawing boards of the draftsmen in his department, and into construction. He should certainly be moving in this regard. He told the house in answer to the question I put to him that the ships study would be ready in July. Well it is July now, but nothing has come forward. Action should be taken in this respect. The minister owes it not only to the Royal Canadian Navy but to the shipbuilders of the nation. We know that when the general purpose frigate program was cancelled it was suggested that an alternative program would be put forward. It should have been put forward months ago and I suggest the minister should get moving in this regard.

It is part of this program to reduce the militia by several thousands. Speaking of my own area, I recall that when the Liberal government was in power it took the kilts away from the Pictou highlanders, amalgamated them with the Nova Scotia highlanders and gave them new kilts. I can tell the minister and the parliamentary secretary to the Minister of Justice this: They will have a difficult time taking the kilts away from those highlanders. It may be they will issue them to the sailors on these new ships, if we ever get them, but I imagine it would be drafty in the north Atlantic wearing a kilt.

I know a study is to come forward with regard to the new program in this field, but let us not forget these fine units which are ready and active in case of war or whatever task may be set before them.

I think some of these points should be answered now, before the bill receives further passage. Integration means a lot to various parts of this country. Let us have some of the answers, and then we shall be prepared to deal with the bill as necessary when the time comes to vote upon it.

Mr. Diefenbaker: I know the committee has been waiting to hear from the minister of defence. He has sat in his place in supercilious silence except for one or two observations. The committee wants to hear from him an answer to the various questions which have been raised. It deserves that answer. The minister seems to have adopted the philosophy of so many of his colleagues—I can think of the Minister of Finance and I can think of others, also—who rushed into the house with a plan, and, when it came up for consideration, found it had to be altered or changed, or was a dismal failure.

All of us are in agreement that action should be taken to bring about economy and efficiency in the armed forces. The minister enunciated his plan some months ago in a white paper. However, what is before us is simply the question whether or not there should be a unified command, in other words whether the chairman of the chiefs of staff

committee and the chiefs of the naval staff, general staff and air staff should be done away with and replaced by a chief of defence staff. It was mentioned this afternoon that following discussions which had taken place in the special committee there was no place in this committee for consideration of the matters which had received the vocal attention of the defence committee. I have read the evidence given before that committee. I have read it from beginning to end and, having read it, I cannot but be left in a position of deep uncertainty as to what will result from the plan which is before us in the amendments now being considered.

The purpose is efficiency and economy. The minister has said economies will be effected. He has not placed before us anything in the nature of evidence to support the generalization that the result will be beneficial economically. Certainly what has become apparent since he became minister is a deep sense of uncertainty and fear among members of the armed forces in every part of this country. They cannot understand the purposes and aims. They have not been given a full and complete elucidation of the minister's ideas and those of the government. It has simply been a case of generalization accompanied by failure to go into particulars which would give those who serve at least some reasonable approximation of what will transpire, of what will happen to them, and what benefits are likely to flow as a result of unifying the command. Certainly experience in the past, going back to 1904 in the United Kingdom when the Esher commission made its recommendations has never established that benefits commensurate with the hopes of the minister will be achieved. This follows from the consideration given to the question of unified command not only in the United Kingdom but in the United States. I know great stress has been laid on the economies which would be gained by cutting out duplication of services, duplication in command, duplication in procurement, in supply, and so on. But when we come down to examining what has taken place in the months since the white paper was brought in we can only fear for the future of our armed forces in Canada, particularly in the field of morale.

I said a moment ago that the armed forces have not been taken into the confidence of the minister. He has not given them the facts, he has simply generalized. Now he comes before this committee, after hearing evidence in the defence committee which was anything but unanimous among the witnesses produced before it, and would have us believe that the initial step is one of placing one man in command—a service superman who will discharge the responsibilities which were formerly discharged by the chiefs of staff of the various branches of the armed forces. Certainly we are entitled to have more information in this regard.

The uncertainty of the position was recently revealed in a meeting which took place in Washington. Much was made of the joint meeting between the United States and Canada. Great hopes were expressed as to what would take place. When the ministers returned from Washington they spoke in fulsome terms. The Canada-U.S. cabinet committee on defence had not met for four years, so the Prime Minister decided that it would be most beneficial if that committee were to meet. We have to depend on press references for information as to what happened. Mr. Bruce Phillips of the Washington bureau of the Hamilton *Spectator* said this, in part:

> The first meeting in four years of the Canada-U.S. cabinet committee on defence...created the impression that once every four years is far too frequent.
>
> The meeting apparently was a gross waste of everybody's time.

I am surprised at that, with the minister there and with the other ministers present at the meeting.

> By all accounts it consisted mostly of exceedingly general discussions which pointed nowhere in particular.

I am not surprised at that. One does not expect ministers to be any more pointed in their observations abroad than they are at home. The report goes on to say:

> But the question arises whether such meetings have any value if people leave with the feeling that they have wasted their time.

Then some of the matters discussed are referred to, and apparently the minister gave a most interesting dissertation on a unified command; but nowhere does the report indicate that anyone was overwhelmingly in support of the explanation he gave. The report continues:

> It is a subject of continuing interest in the defence department, which has tried unification...

The report might be summarized by saying that the members of the committee drifted away with nothing but a few listless assurances to give the matter of joint defence and production sharing some thought.

That has been the difficulty here, Mr. Chairman. I see the minister sitting in a pose with his right hand holding up his jaw, and

his finger in the best Karsh fashion, forbidding all information to the house. He is decorative, attractive and appealing; I am prepared to say that of the minister, for whom I have a very large measure of respect. But his sitting in that pose I can only say means it is to take the place of information, apparently.

We should like to know what is being done. What is the evidence which came before the committee to which allusion was made this afternoon? The first point is that the proposal calling for a single defence chief must be taken in context with other proposals made by the government, which were summarized by the minister on May 26 before the defence committee. He ended up with a recommendation to replace the chairman of the chiefs of staff committee, and the three service chiefs. He was then asked by the hon. member for Greenwood to give a detailed analysis of the proposed savings, and the evidence then concluded pretty quickly because the minister could not give any such information. What the minister has done to date is to promise economies which have consisted in transferring expenditures from one department to another and in covering them up, whereas in point of fact he has not been able to bring before the house and the country any record in this regard.

What about the single defence chief? Is it appropriate in a democracy to concentrate all power and responsibility in defence matters, subject of course to approval, in the hands of a single individual? Will one person necessarily be familiar with the technical and military requirements relating to all three services? However estimable such a person may be who is designated to this position, this kind of concentration of authority has not worked anywhere in the world. There will be the blocking of direct contact with the minister from the heads of the three services. Information will be funnelled through a single channel. Where is the coordinated long range defence policy which was promised on May 8? Can it only be achieved by one person assuming these powers? To say that it cannot be achieved except by putting all power and authority in the hands of one person is contrary to the experience of any military power in the democratic world. Certainly people are beguiled by this plan. It is doing something. Economies are going to result. Five hundred aircrew are removed; they are not even part of the plan apparently, we learn today. Only the other day a young man was in conversation with one hon. gentleman in this house. He had been nine years in the force. He is an authority on jet propulsion and is a jet pilot. But he is out now. Where does he go? He says he got no notice but was just told he was out. Is this a system which will promote sound morale? Is this the kind of action to be given to those who joined the armed forces with the expectation of other treatment?

Mention has been made of the evidence given by Air Marshal Curtis. I am not going to repeat what has already been placed on record, but there is one matter not yet answered by the minister or by anyone else which will have to be answered by him. It concerns savings proposed in the white paper of $100 million a year. Air Marshal Curtis said, as reported at page 163 of the report:

> I understand this will call for a reduction of roughly 10,000 troops in order to make that possible because integration itself will not come anywhere near to doing that. Also, I would think it would take probably a reduction of closer to 20,000 troops to make a saving of $100 million a year possible.

What he said has been placed on the record. He said that our services are going downhill both in regard to morale and in regard to spirit. Then Air Marshal Curtis, who is fully acquainted with and knowledgeable of the position in the United States, went on:

> I was in Washington two months ago and the report I got from the senior officers there was that although this was an interesting experiment they were too polite to say what they thought but they are not going to attempt it.

I should like the minister to tell us, when he was in Washington meeting with this joint Canada-U.S. cabinet committee, those men of experience, what they thought of this plan, because I hope he told them more than he has told us.

Sir, the serious, searching and penetrating criticism from a former chief of staff, reading it objectively, cannot be disregarded, based as it is on a great deal of experience in both war and peace. The minister would simply brush it aside. We want to know the answers to these things. We want more than sophisticated silence; we want more than an attractive pose on the part of the minister. We want him to place before the house and the country the evidence that he has. Certainly General Macklin's views, too, were quite interesting when taken alongside the optimistic hopes expressed by the Secretary of State for External Affairs regarding the troops sent to Cyprus. The hon. member for Vancouver East said we should not go into these things.

I wonder how many read what General Macklin said in regard to Cyprus:

> When we sent a battalion to Cyprus a few weeks ago, there was not enough airlift for its heavier equipment and so it went into that hostile island half equipped and half armed and waited two or three weeks for the rest of its armament and equipment to come by sea.
>
> What a risk that was to subject Canadian soldiers to.

We mentioned some of these things.

Mr. Hellyer: This is categorically denied.

Mr. Diefenbaker: We want to hear some categorical denials, Mr. Chairman, not from a seated, posed position but from a standing position in which the minister will review what has been said. General Macklin said as well:

> The third defect is that there are absolutely no reserves of any kind anywhere behind the formations of the regular army. If the NATO brigade got into a battle it would be into a manpower crisis in no time.

These are things that are concerning Canadians. This was evidence that was given before a committee. Is it not about time that the minister, if he is able to do so, has the knowledge to do so and the advice to do so, placed before the house and the country the facts? Certainly the placing of omnipotent power in one person will not meet situations referred to by Air Marshal Curtis and General Macklin. We ought to have this information because, as I said earlier, this government's approach in connection with defence has been an uncertain one. There have been many promises of what would be done; there has been a white paper that generalized—but these things have been followed by no effective action.

All we are asking is that the minister shall place before the committee the facts. What efficiency will result from this unification of command? What controls will there be, other than the committee that is being set up, over what I would call the omnipotence of one person? What is being done on behalf of those who are serving in the armed forces, to diminish—yes, abolish—the destructive, demoralizing concern of the armed forces? Simply to say "cut" for the purpose of being able to argue that effective action is taken, is not sufficient. What are the economies that will result? Those are questions to which we have a right to answers. The committee met. It is obvious, as the hon. member for Vancouver East said, that the committee had the fullest information. However, I submit that the house will not accept his conclusion, that this information covers in the detail it should the various questions that I have raised, that are merely by way of summary of the views expressed here this afternoon by one hon. member after another.

We are not here for the purpose of endeavouring in any way to embarrass the government. What we are here for is to endeavour to assure that when experiments are being undertaken, experiments that have no basis of experience, this house and the country shall receive fuller information than it has received in the past. Experiments there will always be; but I think that when an experiment like this is being placed before the Canadian people, unsupported anywhere in the free world by the approval of experience, the questions asked by hon. gentlemen this afternoon deserve an answer, and the fullest answer that the minister can give.

Mr. Winch: Mr. Chairman, could I ask a question of the right hon. Leader of the Opposition. In view of the fact that my name has been mentioned twice by the right hon. Leader of the Opposition, and in view of the fact that he stated more than once that he was to a great extent basing his statements on the evidence given before the committee, could I ask him if he will explain to this committee of the house why it was that at the final meeting of the special committee on defence in regard to this bill, when it was considered clause by clause, not one solitary Conservative member of that committee objected to any clause, and it was agreed unanimously that it should be reported to this house without change?

Mr. Diefenbaker: Mr. Chairman, the committee heard the evidence. The committee listened to the evidence. The bill was before the committee. The hon. gentleman very well knows that no dissenting report can be given. It is beyond the right of a parliamentary committee to do other than report favourably on any matter that is sent to it. We are not in that position when we come to the floor of the House of Commons.

Some hon. Members: Hear, hear.

Mr. Winch: Mr. Chairman, may I ask a supplementary question of the right hon. Leader of the Opposition. The Leader of the Opposition is absolutely correct when he says that no committee of the house can bring in a minority report; we all know that. But I would like to ask him this question. Although it is impossible to bring in a minority report from a committee, is it not possible to register your objection in the committee? And that was not

done by a solitary Conservative member of that committee when we had our final meeting.

Mr. Diefenbaker: Mr. Chairman, that is one of the weaknesses of committees. They are exercises in futility when it comes to summarizing the views of members following the hearing of evidence.

Mr. Churchill: Mr. Chairman, I was wondering whether the minister wanted to attempt to reply now, or does he want to consult with his advisers over the supper hour in order to see if he can get off the horns of the dilemma on which he is impaled?

Mr. Hellyer: I think you might raise some more questions in the meantime.

Mr. Churchill: I should like to raise some more questions. I should like to have answers to the questions I raised the other night when we were discussing this measure. With regard to the problem just mentioned by the hon. member for Vancouver East, may I say that I was a member of the defence committee last fall and I objected to some of the things that were in the report of that committee. We were not permitted to bring in a minority report, but when I raised the point at the final meeting of the committee it was quite obvious that there was not unanimity in that several members were dissatisfied with items that appeared in the report. However, as a committee we could not show the various items with which we disagreed. So the report was made public.

I have read all the evidence presented to that committee. I noted that quite a number of members of the committee raised questions which were unanswered by the minister, and raised objections as they proceeded with the discussion of the bill as it was before them. I can quite understand why those members, having stated their objections once, did not bother to repeat them when they came to the last allotted day for consideration of the matter; but it certainly does not follow from a reading of the evidence that there was general agreement with the bill.

I am surprised at the casual attitude of the Minister of National Defence, and I use the phrase that the hon. member for Simcoe North used only a little while ago. That is the impression the minister is creating now. He has taken a casual attitude toward a very serious matter. The importance of national defence is something of which we in Canada are apprised and the subject merits more than just a casual attitude.

This minister has been in office almost 15 months. I ask him: What has come out of that 15 months of casualness? We have heard about study groups, seminars and appraisals of this, that and the other thing. But what has actually come out of that 15 months in office? Is there greater efficiency in our armed forces at the present time than 15 months ago? The answer I give is no. There is less efficiency than there was 15 months ago.

The minister has reduced the complement of ships in the navy. He wiped out the Sabre jet squadrons in Europe before the 104's were prepared for effective action. Even now that air division in Europe is not fully armed. He has reduced by two squadrons the Voodoos in Canada and has not armed the remaining Voodoo squadrons as he promised to do. What has he done for the army? What changes in the army has he made in these 15 months? Where is the mobile equipment he was talking about? He has not even provided a nuclear missile for the Honest John battery about which he made so much noise approximately 18 months ago.

The efficiency of our armed forces has declined under this minister and we cannot get from him the answers that are essential. There is a lack of confidence in the minister. He talks boldly and says that under the proposed reorganization the armed forces will be responsive. I do not know just what he means by that. He says they will be streamlined. This is supposed to encourage everybody to think they will be better forces. He gives us no evidence of how that will be brought about.

How can we have confidence in a minister who carelessly talks about an artillery officer, as the hon. member for Calgary North mentioned today, and says, to use the minister's words, that he "may find himself quite at home with a naval gun after a brief familiarization period", as if he could serve acceptably on board a ship just because he was a trained artillery officer on land? What confidence can we have in a minister who, in response to a question in the house last week, informed the house that a camera on a reconnaissance plane was a conventional weapon? This is the type of answer we are getting from the minister, and the confidence that may have rested in him 15 months ago has rapidly dissipated.

His responses to questions in the committee, his responses to our questions in committee of the whole house on the bill, have been inadequate. When we came to take up the bill the other night after it had been

reported back from the defence committee I had to press him to get up and make a statement. He took about a minute and a half or two minutes, although I had asked him to give us a report on the type of evidence that was reported to the committee, general criticisms, if any, of the bill, and let us know what had happened. The minister dealt with none of these things. He simply made general statements and confined himself to stating, as found at page 4846 of *Hansard* of June 29:

> This bill implements government policy set out in a white paper on defence and is the necessary first step to bringing about integration of the three headquarters leading, we hope, to increased efficiency and a reduction in overhead expenditures.

That is all he said in the committee of the whole house when the bill was taken up the other day. That is not good enough. As he was urged to do today, the minister has to define what he means by integration and unification, and I propose to deal with those two points later. He has to tell us exactly how he expects to achieve a reduction in overhead expenditures and at the same time, which is his chief responsibility, retain the fighting effectiveness and efficiency of our armed services.

I see it is six o'clock, Mr. Chairman, and I will resume at eight o'clock.

The Chairman: It is my duty, pursuant to provisional standing order 39A, to announce that the questions to be raised at ten thirty o'clock this evening are as follows: The hon. member for Winnipeg North Centre, pensions, Canada plan, request for consideration to be continued to conclusion.

[*Translation*]

Second, the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon): A question concerning the deepening of the Richelieu river.

[*Text*]

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Churchill: Mr. Chairman, I started at just five minutes to six with a few introductory remarks and my intention was to give the minister the supper hour to collect his thoughts, return here to the house and give us answers to questions. I propose to give him a few more minutes to assemble his ideas, and I express the hope that when I have finished or perhaps when someone else has spoken, the minister will make a comprehensive statement on his plans for the future. Just before six o'clock I read out his basic statement which he made the other night, in which he expressed the intention of the government to bring about integration of the three headquarters, leading to increased efficiency and a reduction in overhead expenditures.

I point out, as others have pointed out, that he must give us proof that he will achieve increased efficiency by the major change he is making in the defence structure. We have no quarrel with him at all if he can effect a reduction in the overhead expenditures and transfer the money obtained in that way to the purchase of equipment. I realize that he has been placed in a strait-jacket by the Minister of Finance since he has been limited to a billion and a half in money to support the three services and provide equipment for them.

Mr. Grégoire: It is still too much.

Mr. Churchill: Now that amount of money may be too much. Someone in the far corner, I guess it was the hon. member for Lapointe who is constantly interrupting from his seat, has said that. It is open to question whether it is too much. It depends upon what you are getting for your money. When we consider the expenditures of money in which we were involved in the first and second world wars and in Korea, perhaps we are well advised to maintain our defences at the present time and spend some money that way rather than be plunged into a conflict in the future unprepared. Under those circumstances we are aware, from our experience in the past, that a great waste of money occurs.

However, within the limits the Minister of Finance has set for the Minister of National Defence, he is now attempting to divert some of the money to the purchase of equipment. If he can do that without impairing the effectiveness of the services, we are not in disagreement because modern equipment is an essential. I read in a newspaper not so long ago that the minister said he was embarking on a 60-day period of decision. I am not sure what date that started, but we will be watching very closely to see the effect of the 60-day period of decision because we have been through that once before. This is where we came in, in the movie. I wondered at his temerity in stealing from the Minister of Finance and from the Prime Minister a

statement such as that. In this 60-day period of decision he is going to place orders, he tells the production industry, for military equipment. We will watch closely to see whether or not the services are kept in balance in the expenditure of this money or whether one is preferred over another.

We will be particularly interested in seeing whether the army, which has been doing a major portion of the active work during the last several years, is given the mobility it requires. I want to deal with the vagueness of the minister's ideas concerning his plan. On May 8, when we were discussing the bill, the minister was talking about the various choices he had before him, and he is reported as follows on page 3066 of *Hansard*:

> The third alternative, which was the one finally adopted, was the integration of the armed forces into a single unit.

Then on page 3188 of *Hansard* for May 12 the minister is reported as using these words:

> I think it follows logically that once the high command has been unified and once the armed forces of Canada are organized on a functional basis rather than along traditional service lines the complete integration of the armed services will follow as a natural evolution from this change in organization.

So, he told us what he thought, and again he used the word "integration". In the white paper on which he bases his whole case, page 19, he uses these words:

> Following the most careful and thoughtful consideration, the government has decided that there is only one adequate solution. It is the integration of the armed forces of Canada under a single chief of defence staff and a single defence staff. This will be the first step toward a single unified defence force for Canada.

The minister has been asked what he means by his use of the words integration and unification. This afternoon he quoted at some length from various prominent leaders in the second world war, who used words which he considered bolstered up his case. MacArthur spoke about the complete unification of the services. Eisenhower spoke about unity of command in the field and about one single, concentrated effort. Harris, the celebrated "Bomber" Harris, talked about one fighting force and one service, and Montgomery said that the committee system was unsuitable in a fighting service.

These are men of distinction and it is important to get their points of view. I notice in the defence committee report that Brigadier Malone interviewed some of these people after the war and had conversations with them as to their ideas about organization of the services.

General MacArthur, fighting the war in the Pacific, was faced with amphibious operations and he had to use combined forces, air, sea and land forces, in order to land on the various islands and establish a position. He found that it was a difficult operation unless the troops were trained for that type of combined work. The United States marines had more experience than the army units and set the pattern for the island hopping that was characteristic of the Pacific campaign. I think when General MacArthur was talking about unification of the services he was thinking in terms of amphibious operations where it is absolutely essential that the three services work together.

Similarly, when General Eisenhower was talking about unity of command in the field he was thinking of combined operations leading to landings in north Africa, Sicily, Italy, and on the beaches of Normandy where the navy, army and air force had to work closely together to achieve effective results.

I do not doubt for one minute that Air Marshal Harris was thinking in terms of a unification of command among the three services, although his activity was largely in the air, and much doubt has been cast upon some of his planning and his direction of strategy in the massive bomber assaults on Europe. It is the opinion of many military experts that under better direction some of the war effort of England and the United States might have gone into aircraft for close support of the army rather than be devoted to bombers.

General Montgomery was quite familiar with combined operations and realized the value of them, but it is not necessary to unify the three services into one single service in order to get successful combined operations. We saw enough of that in the second world war to understand what it means.

Even within an army itself you have combined operations, because not only have you infantry and tank formations but you have artillery and engineers, all of whom have to be welded into one striking team, and if you can combine with that striking team tactical air support then you have an effective fighting land formation. We have had the experience of that. It was done without putting all the personnel into one formation or one service. That is why we fail to understand what the minister is talking about when he leaves the impression that in time he will end up with just one service.

It is obvious to anybody with any military service at all that you cannot interchange as readily as that in the fighting formations. You may make changes in the administrative tail of an army, air force or navy. You can have the trained mechanical assistance, the electricians, the ordnance people and the supply people—there can be a change there, but how you can interchange people in fighting formations escapes me entirely. It just cannot be done. We had enough difficulty in the second world war effecting good co-operation between tanks and infantry, and between air force and infantry formations, to realize the problem.

What does the minister mean by his integration of the services? Is he going to put everybody together in one uniform? Are they to be interchangeable? How does he have an effective fighting force? His job as the Minister of National Defence is to have effective fighting forces whether they are on the sea, in the air or on the land. Judging by experience I would say this is best done along the lines familiar to us now, with good training on combined operations and with the high command thoroughly familiar with the three services. These are the people who carry the fate of the troops in their hands, and if the high command has knowledge of the functions of the three services then you can get proper results, but why you would need to go beyond that I do not see.

Some of the expert witnesses who appeared before the defence committee dealt with some of the factors I have been talking about. The other evening when I was talking on this bill I dealt at some length with Brigadier Malone's evidence before the committee, dealing with a study of the Esher report, and I was astonished today to hear the minister say that the chief recommendation of the Esher report was the setting up of area commanders. Having read the Esher report I could not reach that conclusion at all.

As the hon. member for Calgary North pointed out, and as has been mentioned by others, including myself the other evening, the Esher report was brought in to correct the deficiencies that had been shown up in the British army under the supreme commander in chief idea. With experience in two or three wars, and with experience in the Boer war—the South African war—the decision was reached that a change should be made. The Esher report advised and parliament finally adopted a council system whereby the commander in chief was not responsible for everything that went on and whereby the minister, with four military advisers and three civilian advisers on the council, was able to get better and more complete advice than from one supreme commander. This is what we think the minister should be doing here, rather than reverting to a system which was tried many years ago and found wanting. In 1904, when the Esher committee reported, the system was changed in England, and it was also changed in Canada, because the people here read the same report.

One man who was very largely responsible for the implementation of the Esher report was Balfour. He subsequently was prime minister of the United Kingdom. He served as head of the cabinet committee on defence. Later, when there was a change of government and Asquith became prime minister, Balfour was invited by Asquith to sit in on the meetings of the committee on imperial defence. Subsequently when a coalition government was formed he went to the admiralty, and later he became foreign secretary. So he was a man of vast experience whose interest, during a large part of his life, lay in this question of defence.

His sponsorship of the findings of the Esher committee was decisive. A council was set up and functioned with considerable success from then on. Had it failed in world war I and world war II, it would have been changed by now. But it was not. I suggest therefore, that our own experience plus the experience of other nations should be drawn upon in these circumstances, and when the minister tells us that the chief recommendation of the Esher committee was simply to appoint area commanders he shows he is not familiar with the report, for otherwise he would not have made such a statement.

I have here excepts from that report which I propose in the few minutes remaining to me to put on record for others to study. Part II of the report reads as follows:

> For the first time in the long annals of war office reform its intricate problems have, we believe, been approached from the point of view of war rather than from that of peace. The scheme we have laid before you is based upon the consideration that the preparation for war is the primary object of a war office, and that no military organization can be sound in time of peace unless it is applicable to the necessities of war.

I should like to interject here that, much as we hesitate to talk about war, our defence department nevertheless exists for the purpose of giving us adequate assistance and protection in time of war. It is not a peacetime organization. So anything which is done by

way of reorganizing the Department of National Defence must be done with a view to what would happen in case of a conflict. We may be able to manage, having adopted the minister's idea of a supreme commander, when we are faced only with operations which Canada is obliged to perform, or agrees to undertake as so-called police actions in connection with United Nations peace keeping operations. But these activities are not war.

So in the light of our experience from the first part of the century Canada must look to the future. We cannot be sure we shall not be involved in some conflict where the lives of men are at stake, and if the lives of men are at stake there must be efficient handling of the service organizations. That is when the great test comes. Have they the equipment? Are they trained? Are they ably commanded? Or are their lives to be wasted? We have seen enough of that in the past to make us cautious about making mistakes in the future.

The committee report continues as follows:

> Bearing this principle constantly in mind, we have proposed—
>
> (a) A permanent nucleus for the defence committee, in order to ensure the continuous consideration of defence problems and to co-ordinate the naval and military forces of the crown. We regard this proposal as the keystone of the whole structure of reform.
>
> (b) An army council for the higher administration of the army.
>
> (c) The creation of a trained general staff, which is one of the most pressing military needs.
>
> (d) Divorce of administrative from executive military functions.
>
> (e) Complete decentralization of administrative work.
>
> (f) A thorough system of inspection.
>
> (g) Financial changes, in the interests of sound economy, and increased responsibility of the military administrators of the army.
>
> (h) Division of duties within the war office, to prevent overlapping to minimize reduplication of effort, and to ensure the smooth and rapid dispatch of business.

Those are the effective recommendations of the Esher committee report and it is on this basis that the reorganization of the British army was carried out after 1904.

Mr. Pugh: How many times has one to ask a question before he gets an answer? Today for the first time the minister finally stated that the 600 aircrew—

An hon. Member: Five hundred.

Mr. Pugh: Call it 400 or 300, it does not make any difference. The hon. gentleman stated they were not part of the new policy. Many questions have been asked touching morale in the forces but the minister has not given any adequate explanation. He said today that as far as the 600 were concerned, Berlin was the excuse, and possibly this action should have been taken previously. He indicated that these men were supernumerary to the number actually required. I wonder why the minister has not given an adequate explanation of this. I asked the minister the other day in the debate if he would say whether he had received any complaints from those who had been turned out and from those who might well be turned out, and I am wondering whether he would now answer that question, first as to the 600 who were turned out—the men who were not part of the program—and second as to service officers who may find themselves without jobs and without careers as a result of what the hon. gentleman termed the ten year plan. He has not made any real explanation of this.

Today for the first time, in answer to a question I asked he said: Those 600 men are not part of the plan; we just turned them out; we got rid of them. I think many people in Canada are asking questions about the expense in dollars and cents which the government bears in the training of men for the three services. I am asking the minister, now: What about our training colleges? What about university education? What are these young men to expect when they are through? Are the best of them going off into industry after their education has been paid for by the government? If they sign up they can get their education paid for, provided they meet certain requirements and, thank goodness, we have many young men who can meet these requirements, and who can in this way get a university education. The minister should be able to tell us how much it costs to put a young man through university and train him through the service and how many of them leave without having served at all or, having served three years, do not continue in the service. To my mind this is very important because it involves tremendous expenditure.

I do not see anything wrong but I am wondering what is the result. Would the minister care to give any figures relating to those who go and those who stay on in the services? I asked the other day in relation to the air force how many experienced flyers trained in depth to take part in any division of our armed services were going to be turfed out, and what would be the cost to Canada. The minister mentioned his 10 year program. Everyone is talking about a five or a 10 year program, or something like that, but I am wondering how far this integration is going to go. Personally I am for integration if it

will cut down the costs of our armed services and will not spoil any of the efficiency of the armed services.

Mr. Hellyer: Hear, hear.

Mr. Pugh: The minister says "hear, hear", but we have heard nothing of this 10 year program. He refers to his great airy-fairy deal, his 10 year program. He has a white paper and a few other things, but he has not answered my questions. Someone asked: Shall this clause carry? Why does the minister not answer? Is there no answer? I am asking, as are other people, whether the minister has a program. Is there a program he can announce? Where is he trying to go? What is his object? The minister has not answered any of these questions. Why does he not get up and make a statement, Mr. Chairman?

The Chairman: Shall clause 1 carry?

Mr. Churchill: Mr. Chairman, this is becoming an exercise in futility. Here we have the Minister of National Defence occupying a very important position in the government and bringing before us a bill which he claims is the first step in his program of integration of the forces. He has had the most tremendous press build-up all over the country that I have seen. Yet we cannot get from this minister answers to legitimate and serious questions.

May I tell the Minister of National Defence that we are not treating this problem lightly. The question of the national defence of this country is of vital importance. It is an expensive proposition. From the point of view of the taxpayer we want to know whether the money is being properly spent. We have thousands of young men in the services. Behind those services there is a great tradition extending back throughout the whole life of this country. We, the Canadian nation, have put forth great efforts in wartime and are putting forth great efforts in peacetime. The minister has come along and is going to change things, and we want him to give proof that his proposed changes are for the betterment of Canada's national defence. We want him to give us proof that there will be no deterioration in the combat effectiveness of our services.

As I said a few minutes ago, I am not thinking in terms of a peacetime army. You can have a peacetime army which will never be called out for active service. But our experience in this world has been that Canadians have been called upon to go to war. A lot of people do not like that word, but that is what we have faced four times within the last 60 years. Canadians have been called upon to go to war, and they get killed in warfare. If the services are efficient, fewer men get killed; that is what it amounts to. If they are inefficient, lives are wasted.

What we are asking of this minister is this. He must demonstrate to us without shadow of doubt that his proposed changes will maintain unimpaired the fighting efficiency of our services. He must show us that his proposed changes will increase their effectiveness. Otherwise what is he about? Is he just building up a little empire for himself? Is he trying to make great claims for himself? This is too serious a matter for that. We are now talking about the national defence of this country, and as I pointed out from the Esher report, when you are talking about national defence you are making preparations for the war that you hope will not occur, but which may occur and for which you have to be ready. We are saying to this minister that his proposal for a supreme commander in chief is likely to weaken the effectiveness of the fighting services, and he has not given us any proof to the contrary. We are pointing out to this minister that some of the plans which he has underway, as the hon. member for Simcoe North I think it was pointed out, will enlarge the responsibilities of the former chief of the general staff instead of reducing them, and will make his work even more complicated.

The other evening when we were discussing this bill we pointed out from the evidence given by Brigadier Malone, who was quoting from the report of the Esher committee, the inherent dangers in having a supreme commander in chief who may become the dominant figure in the defence services of this country and put the minister in the shadow. Or if there is a conflict of interest between the two men, one of them has to go. If one has to go it is damaging, on the one hand to the government, and on the other hand to the services. Why is the minister launching on this uncharted sea? He himself is not a man of vast experience, yet he will not tell us who are his advisers who have put him on to this particular course, and he will not give us adequate reasons for the changes he proposes. Because we treat this matter as of the utmost seriousness, we are insisting tonight that we get adequate answers from the Minister of National Defence,

and I will now give him an opportunity to give us some of those answers.

Mr. Pugh: Mr. Chairman, I should like the minister to answer a question I asked on June 29. I asked it of the associate minister at that time because the minister himself was away on business. I asked whether he had heard any complaints about the cutting down of the armed forces, and he replied: "Not to my knowledge". Perhaps the minister read that statement, but I would ask him now whether he has heard any complaints, generally or specifically from certain people, from those under him in the armed forces in the highest capacity, people upon whom he must rely. I have not had an answer to that question.

Since I asked it we have discovered that the aircrew who have been turfed out are not part of his general plan. Therefore I am wondering in relation to the 600 men who were turfed out whether the minister has heard any complaints, specific or otherwise, from any of his advisers, or from those high up in the armed services, about the future of the armed services and about the great cut-downs. Obviously if it is necessary that there should be cut-downs, all right; but has he heard any complaints? The minister has not told us where the cut-down is going to be, and I think this committee of the whole house should have this information before they are asked to pass this bill.

We have here a bill which is based on integration. The minister himself this afternoon said this is only the start. He said, "We are going to save money. We are going to cut down." Obviously his first concept is completely wrong, because in cutting down the chairman is replaced.

There is one other question I would like to ask the minister. Will the new chief of staff have top-flight men in each branch of the services? If the minister sits there and does not answer, perhaps it is because he has not an explanation; but I want an answer. I have asked for this information previously; it is not a question that has been put to the minister summarily which he has to answer off the cuff. He has had since June 29 to look the matter over, and he has not yet answered the question. I ask him once again; first of all, has he received any complaints from those who were turfed out? Have any complaints been voiced to him—I refer to matters that would affect morale—from his senior service officers, those who are advising him?

[Mr. Churchill.]

I ask the minister this question, Mr. Chairman, and I would like an answer.

Mr. Hellyer: Mr. Chairman, I have had one or two letters of disapproval, and the thing that has surprised me is that I have not had more. I think this is very encouraging and is an indication of how well received in the country have been the steps that are being taken in the department.

Mr. Pugh: The minister mentioned letters, Mr. Chairman. I would point out to him that he is not very likely to get a letter from a service officer who is now employed and who may be without his vocation if he voiced such disapproval. I am wondering whether anybody has been strong enough—that is, anybody within the armed services who is acting in an advisory capacity to the minister—to say to him, "Look here, we should tell these people. We should say what our policy is and how it is likely to affect the lives of these people". I am referring to members of the armed services. I ask the minister now, has he been in consultation with his senior officers in this respect?

Mr. Lambert: Mr. Chairman, surely to goodness the minister is not going to sit there as though he had been struck dumb. After all, various members of this party and of the Social Credit party put some fair questions to him. Does he think he is going to disregard these questions; or is he without any answers? It is not by sitting there with a smug look on his face that the minister is going to get any progress on this legislation. Actually there have been some very seriously thought out questions to which I think the people are entitled to answers.

I put some questions last Monday night, a week ago, to the minister, but he has not replied. Is he just going to shrug his shoulders and say, "You are not going to get the information?" I asked him simply, what was the basis or the criteria used for the selection of aircrew for discharge? We were told this afternoon that there happened to be some surplus aircrew; there happened to be some short service commission officers.

Mr. Pugh: We were told that for the first time this afternoon.

Mr. Lambert: There was also another category which the minister mentioned. But what were the criteria? I put to the minister, for instance, that I know of one operational training unit where seven out of eight instructors have received their release, and this

has put a great strain on the operations of that unit.

What were the criteria applied for coming to this decision? Surely to goodness we are entitled to an answer. The minister is not going to get eaten alive if he gives the information. Surely this house is entitled to know. I can recall the minister when in opposition going through all sorts of agony and anger because he could not get a minor piece of information. Well I am not going to give him that satisfaction. But on the other hand, Mr. Chairman, surely his colleagues know that answers should be given to these things. The majority of his colleagues, when they are asked questions which are relevant and pertinent, try to obtain the information. If the minister does not know, for goodness sake let him say so. But a number of questions have been asked and we want answers. Surely it is the minister's duty to stand in this house and tell us the answers. I invite the minister to answer these questions and not just sit there with a smile on his face.

Mr. Hellyer: Mr. Chairman—

Some hon. Members: Oh, oh.

Mr. MacEwan: Hurrah. At last.

Mr. Hellyer: Mr. Chairman, the criteria used in the selection of the 500 aircrew for discharge were as follows. All flight lieutenants, aircrew list, and air traffic control junior officers due to reach compulsory retirement age between July 1, 1964, and December 31, 1966, to commence rehabilitation leave in July. Up to 250 of the short service commission aircrew officers now serving on extension, depending upon present employment qualifications and performance, were also released at the same time. Those were the criteria which were applied by the service in the selection of the surplus aircrew who would be retired.

The reason I have declined to engage in an exchange with hon. members opposite this evening is that no questions have been asked which were not asked either in the house at the time the bill was given second reading or in the committee at the time it was being given careful consideration there. If hon. members will check the record in *Hansard* and in the committee proceedings, they will find the answers to the questions that have been asked here this afternoon over and over again.

Some hon. Members: Hear, hear.

Mr. Hellyer: I stated this afternoon, and the hon. member for Winnipeg South Centre has disagreed, that the chief recommendation of the Esher report was to put into effect a system of area commanders. The reason I say this is that it was the only, or at least the major, recommendation which has persisted, which has lasted, which has stood the test of time. The army council which was recommended and established then to have independent powers has had its powers eroded. My hon. friend, being an ex-minister of national defence, is thoroughly familiar with that. The chief of the general staff was then only one among equals, though the senior member of the council, through the passage of time had his powers augmented until he became in fact the chief executive officer of the army, and the council in fact became subordinate to him. This happened years ago, and I am surprised that my hon. friend is now suggesting an organization which went out of style years ago, presumably on the basis of the experience of skilled men in the army both in the United Kingdom and here in Canada. I think it is interesting, if not symbolic, that hon. gentlemen opposite would recommend an organization which is based on conditions that existed in 1904. I think they would be well advised to turn their attention to the conditions which exist in the world today and see if they cannot apply their ingenuity to a solution which is adequate to the second half of the 20th century, which is the time period we are really most concerned with at the moment.

Hon. gentlemen would not expect me, I am sure, to comment on the detailed plans in respect of bases, and so on, in the maritime provinces, because that would be out of order on this bill. Therefore I will try as best I can to confine myself to the considerations of the bill that is now before us. I have given the reasons for integration many times.

I have stated that in my opinion it would not be possible to implement a co-ordinated defence plan for Canada without integration of the high command. I think that is reason enough in itself. Under the present system, with three independent chiefs and three independent services, I do not think that any minister could in the long run implement a co-ordinated defence plan. That is my opinion based on my experience. In order to implement a plan over a period of time which is co-ordinated and objective for all the armed forces, I believe it is necessary to have a unified command. That is the reason that one has been recommended.

I have also stated, and I am firmly convinced that it is the way to achieve the maximum savings, that only with a single unified command can you effect the maximum savings at all levels, from headquarters in Ottawa to area headquarters, logistics support, engineering, training, supply. This can only be effected with a single administrative organization in charge of the three armed forces. We have tried integration the other way and there have been some derogatory remarks about it on the other side of the house. We have had some areas of integration and there have been some real problems. One of the reasons there have been real problems is the continuation of three independent services and the fact that it was possible for any one service to implement a veto or to put obstacles in the road of implementation of recommendations put forward by the personnel members committee or by the minister to integrate a particular area of our defence forces.

In respect of morale I have stated that generally speaking morale is good. Certainly it is good in our overseas forces. It is good amongst our field forces here in Canada. I have stated quite honestly that there is some uncertainty particularly at national defence headquarters, and I have also stated that in my opinion that is inevitable. You cannot have a major reorganization along the lines we have proposed without a feeling of uncertainty. This cannot be avoided. You cannot have a new policy involving the employment of less people in national defence headquarters without having this feeling of uncertainty which exists at present.

The way to end the uncertainty and to improve morale at national defence headquarters is to permit us to get on with our job. Our planning has proceeded to the point where we have done as much as we can do until this bill is passed, and every day that goes by now without the bill being passed aggravates the situation which exists at national defence headquarters. It not only aggravates the situation in respect of morale at national defence headquarters but it results in the postponement of potential savings involving tens of thousands of dollars. So my recommendation to the committee is that we get on with the job, refer the bill back to the house, give it third reading and make it possible for us to go on to the next step, to provide that certainty which I know the armed forces would like to have and to effect the savings which I am sure all Canadian citizens are interested in our achieving.

[Mr. Hellyer.]

Some hon. Members: Carried.

Mr. Pugh: Mr. Chairman, the minister has just made two statements to which I should like to refer. He said that we should pass the bill and restore morale and he also said that every day we delay passing the bill we are preventing the morale of the armed forces from being re-established. This simply indicates one thing to me, that there is cause for the minister to say that. There is no question that the morale of the armed forces has received a severe shock. The minister has admitted that in two statements. I ask the minister once again whether those who are senior in the services have said to him: Look, Mr. Minister, you had better do something about this because morale is sinking. I ask him that question specifically.

Mr. Hellyer: No, Mr. Chairman, the senior officers of the department have the same confidence in me that I have in them.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Please interpret.

Mr. Harkness: Mr. Chairman, I think that some of the remarks made by the minister a short time ago indicate that he does not understand what the present form of organization of the defence forces of the United Kingdom is. He stated that the basic recommendation of the Esher commission that ultimate command and power should reside in a defence council had been discarded years ago. All that anyone has to do is to look at the chart showing the organization of the defence forces of Great Britain at the present time to find that the defence council is still in the same position it has been since that report was made, namely of having ultimate control and the ultimate power of command.

Mr. Hellyer: It was the army council to which I was referring.

Mr. Harkness: In each of the forces you still have a separate board of some sort. You have the admiralty board for the navy, the army board for the army and the air force board for the air force, and each of these boards has its own staff, scientists and what not. The minister has either not looked at the organization existing there, which has produced unification of command as I have already indicated on two or three occasions, or otherwise he has not understood it.

He made a statement a few minutes ago which is completely at variance with the facts and which the merest glance at the organization chart for Great Britain, without reading

how the system works there or studying it, is enough to convince anyone of the true facts. If you look at this chart you will see the secretary of state for defence and under him the minister for the navy, the minister for the army and the minister for the air force. Then there is the defence council consisting of the secretary of state for defence, the ministers for the three services, the chief of the defence staff and the chiefs of staff of each of the services, the chief scientific adviser, the permanent undersecretary of state and the deputy minister. This is the same sort of situation we have had here. Under this you have the chiefs of staff committee and the defence staff. It is all one staff as far as the operational end of things is concerned. You have the defence secretariat, the defence scientific staff, and then you have the admiralty board, the army board and the air force board all reporting directly to the defence council where the ultimate authority resides.

To say that this totally disappeared years ago and that we are talking about something that went out of date many years ago just shows a lack of knowledge of what the present organization is in Great Britain, which was only completed in the last two years and is really just getting into operation properly there.

Mr. Hellyer: My hon. friend is confusing the reference I made to the army council with the defence council, which I was not discussing.

Mr. Harkness: Mr. Chairman, under the present organization in the United Kingdom the army council is still there and it is responsible to the defence council for the operation, administration and so on of the army. The same is true of the navy and the air force, and to say that this has disappeared is just not correct.

Mr. Churchill: Mr. Chairman, the minister's statement a few minutes ago, to which the hon. member of Calgary North has drawn attention, is another indication of the loss of confidence in the Minister of National Defence. He made a wild, general, incomplete and untrue statement with regard to the situation in Great Britain, and he asks people to believe that. The hon. member for Calgary North has pointed out his error.

Miss LaMarsh: Is he back on the team?

Mr. Churchill: Earlier the minister indulged in a cheap remark about getting into the second half of the 20th century and forgetting all about 1904. This is where the minister gets himself into trouble. We are not playing around with this thing. As I said before, the question of national defence is serious.

Some hon. Members: Oh, oh.

Mr. Churchill: Oh, I know laughter from Liberal members and Liberal ministers of the crown is to be expected. They do not understand the situation and are attempting to howl us down.

I should like to point this out, Mr. Chairman. We were using the example of the Esher committee report in 1904 to show what a nation with very great experience in war found was necessary to correct the deficiencies under which they had been operating. We are accusing this minister of going back to an outmoded system. I cannot understand why he is doing it. Ever since the 1904 report the British system, and for a time ours, was organized with a council in authority and not a supreme commander in chief. Now the minister, without advancing arguments, is reverting to an outmoded system. He is the one who is living in the past. We want him to come into the present.

To reinforce what the hon. member for Calgary North has said, let me read come of the things Brigadier Malone said to the committee. This will be of guidance to people who are seriously interested in this subject.

Mr. Grégoire: Dispense.

Mr. Churchill: Brigadier Malone drew attention to the new British system and a chart is displayed on page 142 of the committee report. This is what he said, as reported on page 143:

> I would like to draw your attention to the fact that there they are not attempting to do what we are doing here. They are attempting to centralize the command structure only; they are not trying to unify the forces. In Britain three ministers are being maintained under a single secretary of state. Directly under the ministry level you will notice there is a defence council, not a chief of defence staff. The chairman of that council is the secretary of state himself.

This corresponds to our minister.

> The secretary of state must participate; he must be part of the decision; he cannot say, "The experts told me this"; he must be part of the decision and he must answer for it in parliament; and either he or his deputy must attend.
>
> Then, they are going to have the members of the three services, but in your case you will not have the three services but you will have heads of branches, that is the G branch, the administration branch and the supply branch—call it what you will, I prefer in my own chart to simply call them administration and supply as they are simpler this way.

Subsequently, Brigadier Malone produced a chart giving his ideas on how things should be organized. I should like to quote one more paragraph:

> Now then, the defence council breaks down into three services, in the case of the British plan, but it does not go to chief of staff, chief of air council, admiralty board, on anything, it goes to a board. At the bottom of the British chart you see the admiralty board, the army board and the air force board. In the old days it used to be called the army council, the air council and the board of admiralty. They are still maintaining that this board will have the authority, and not a single man.

The minister says to us, let us revert to the old system of 60 years ago under which they had one single commander in chief. Let us not adopt a modern plan of having a council where there are seven people or so on that council who have the authority and must bear the responsibility. Why the minister wishes to revert to an outmoded system escapes me entirely. He will not tell us from whom he got the advice. I suggest, Mr. Chairman, that the minister should either give us a fuller explanation than he has given or he should revise this bill because he is running into trouble. We are trying to help him. We want him to avoid difficulties with the services and with all the paraphernalia that goes with the services. Surely, sir—

Mr. Grégoire: Carried.

Mr. Churchill: I wonder, Mr. Chairman, if you would call to attention and order to remain silent certain people down in the lower part of this chamber who are continually interrupting? I do not know why members in this house have to be interrupted by—

Mr. Flemming (Victoria-Carleton): Monkeys.

Mr. Churchill: —by these people who are chattering away in their seats. I would ask you to give me some assistance, Mr. Chairman. I respectfully request that some action be taken with regard to these people who are continually interrupting and who will not identify themselves.

The Deputy Chairman: Perhaps I should remind the committee that the hon. member who has the floor has the right to make his remarks without being interrupted. If there are remarks to be made by any group of members at the end of the chamber, perhaps they will await their turn and take part in the debate.

Mr. Churchill: Thank you, Mr. Chairman.

[Mr. Churchill.]

[*Translation*]

Mr. Grégoire: Mr. Chairman, on a point of order. I wish to point out that we are not creating any disorder, but that the Liberal members who come and sit across from us give the impression that members of our group are to blame.

[*Text*]

Mr. Churchill: I do not object to interruptions, but I do object to a continual stream of shouts of "Order" or "Passed" or something like that. They are just ridiculous.

Now, coming back to the Minister of National Defence—

Mr. Grégoire: Carried.

Mr. Churchill: Was that the hon. member for Lapointe? He has not enough courage to stand on his feet and make the necessary interruptions.

Mr. Grégoire: Do I understand the hon. member is now giving me the floor?

Mr. Churchill: I have the floor. Have you a sensible interruption to make?

I am suggesting to the Minister of National Defence, Mr. Chairman, that he has not given us the answers. We have specifically asked him about integration and unification. Let him tell us exactly what he means. I am interested in the fighting efficiency of our services. Is he going to get that fighting efficiency by a complete unification? Are we misunderstanding him with regard to integration and unification? Let him tell us and let him tell the services. This is what we are after.

I noticed, according to the committee report, that this disturbed Air Marshal Curtis. He wanted to know what would happen when we have to send people abroad to engage in conferences with our allies, whether at Washington or in the NATO organization. I quote his remarks on page 165:

> But, in two or three years time, when we are all mixed up and we do not know whether an officer is air, army or naval, we will be in an embarrassing position when appearing at joint commissions in Paris, NATO or down in Washington, and I think we will be at a very great disadvantage.

Mr. Chairman, we do not want the Canadian forces, Canadian senior officers, to be placed at any disadvantage anywhere when they are dealing with their counterparts in other navies, armies or air forces. He goes on to say, speaking of the chairman of the chiefs of staff:

> But, I do think we should have given him the authority he requires to force his views upon the

other services rather than doing away with the other services and confusing the three services for a number of years to come.

Here is a very senior officer making this comment after a lifetime of service, and the last sentence he spoke to the committee at that time was:

I cannot express myself too strongly in my view that this is a terrible mistake.

This committee of the House of Commons cannot ignore the evidence given before that special committee on defence by people like Air Marshal Curtis, General Macklin and Brigadier Malone.

Has the minister an explanation? How is he going to answer this complaint of Air Marshal Curtis? I am sure Air Marshal Curtis is speaking for other people who have similar experience in the services. These are things we want cleared up, and the minister is adopting a strange attitude tonight in failing to be frank with the committee, in failing to discuss this matter, in failing to give us his reasons.

We are going to be very patient. We are prepared to wait for his explanation, but if he is as anxious as we are to get on with the business—

Some hon. Members: Oh, oh.

Mr. Churchill: —he will tell us exactly what is in his mind and make a straightforward statement in reply to these questions.

Coming back to the point I started with, he has been corrected by the hon. member for Calgary North, and by myself reading out the evidence of Brigadier Malone, with regard to his haphazard statement just a few minutes ago. I have now put before him the feeling of Air Marshal Curtis with regard to the proposed change. Again I ask him how he is going to improve the fighting efficiency of our forces by adopting the outmoded system of a supreme commander? What is he going to do about this problem of unification or integration? Does this mean one force all put together?

Mrs. Konantz: I think all members of the committee will recognize the wonderful contribution women made to our three services during the last war, and I would like to know something about the role that the women's auxiliary corps will be playing in our reorganized defence forces.

Mr. Herridge: To supplement the fortunate remarks of the hon. lady from Winnipeg South, would the minister include in that the Wrens and the women's division? It is unfortunate that no reference has been made in this debate to the contribution made by women to our defence forces.

Mr. Hellyer: I try to mention them every time I say what a wonderful job our men and women in the armed forces are doing, and I would like to take this opportunity to pay a compliment to the ladies who contribute so much to the three armed services. There are many tasks which they do very effectively, in some cases more effectively than their male counterparts. I can assure hon. members that this will be a continuing requirement in the women's division, and we will make sure that they have opportunities for advancement to use their capabilities to the maximum extent.

We have one lady officer in the air force, I just mention this as an example, who is in charge of the food services for the air force. She is doing a wonderful job and is an excellent example of the real contribution that women are making to the armed forces of Canada.

Mr. Weichel: My question can wait if the minister would like to answer the questions put by the hon. member for Winnipeg South Centre. With regard to the 500 men who have resigned or been laid off, how many of these are on active reserve? What would be our position in case of emergency, with regard to them?

Mr. Hellyer: I cannot answer that question. I shall take it as notice, but I can assure the hon. gentleman that we still have in the air force more than sufficient pilots and aircrews to man all of the aircraft we would have if hostilities should break out, and not only at the commencement of hostilities but for some time to come. Not only do we have sufficient to man present inventory but we have an adequate reserve as well.

Mr. Pugh: I was particularly interested in the remarks of the hon. lady from Winnipeg South. I trust that the remarks the minister made in answering will apply to the nursing service which we had during the last war. I make mention of this because my wife was a nurse in the Canadian army during the last war.

Some hon. Members: Hear, hear.

Mr. Pugh: The committee is now feeling in a much friendlier mood, as I trust the minister is as well. I am wondering whether he will let us in on his 10 year plan. He has

said he will not have a thought on that subject until this bill is passed, but has he anything to tell us about his 10 year plan which he mentioned the other day? How far will this affect personnel? How far will it affect contracts for construction? How much material will be manufactured in Canada and how much will have to be imported from the United States? I am thinking of airframes as an example.

All we have had so far is the change in the chiefs of staff, but we have had a wide ranging discussion concerning personnel. Could the minister give some specific idea about his 10 year plan? Obviously he must have thought it out to some extent or else he could not get up here and say he has one. He has been backing away from questions.

He says the chiefs of staff or his advisers have complete confidence in him, as he has in them. Can he not take the committee into his confidence? It is all very well to say that if we pass this bill we will start to cure morale in the armed services, but the minister has not answered a number of questions. Has he borrowed this 10 year plan from the Russians or the United States? Is it just his idea that a 10 year plan would be twice as good as Russian five year plans, about which we have heard so much? I am wondering whether the minister could not enlighten us with regard to this 10 year plan. Where do we go from here? Has he anything specific to tell us? Where is he heading?

Mr. Hellyer: If the hon. gentleman will permit the bill to go through we shall proceed at once to implement section 5 of the white paper. There he will find the 10 year plan set out in the shape of Canadian forces, 1964-74.

Mr. MacLean (Queens): I was called out this afternoon while the minister was making a brief statement. I did not hear him directly, but I understand he gathered from my remarks that I was under the impression that senior military officers were, or could be made, directly responsible to parliament. He wanted to correct me and inform me that it was the minister who was responsible to parliament. I am sorry if the minister misunderstood what I asked. Last Monday, when this matter was last under debate, I mentioned the subject and to clear the matter up I should like to quote a sentence. I said, then:

> The main question is this: Whether parliament will have, in effect, one individual, in this case the chief of the defence staff, who is to be answerable to the minister for the defences of the country, or whether you are to have a council each member of which is appointed as a result of legislation and whose duties are specified in that legislation so that he can be held responsible if a particular phase of defence is not up to par.

All I was saying was that in most defence acts, and in our defence act at one time, there was a council set up and the provisions specified the membership of that council and what their responsibilities were. This is all I was recommending. Of course, there was no suggestion—it would be absurd under our parliamentary system—that any military officer should be reporting directly to parliament.

Mr. Churchill: I do not wish to press the minister any further but I shall record my great disappointment that he will not give answers to this committee. I charge the minister with failing to carry out his duty as a responsible minister of the crown. We are entitled as members of parliament to get information from the treasury benches. We have asked legitimate questions and fair questions of this minister. He sits in arrogant silence and refuses to answer. I have never seen an example of this, to this extent, in my experience here in the House of Commons.

All we are asking this minister is a reasonable response to reasonable requests. Basically we have said to him: Advance your arguments for attempting to put into effect an outmoded system which was found wanting in the past. But he will not give his arguments. In the second place we have asked him to explain what he means with regard to unification and integration of the services. Does he intend to wipe out our three fighting services and attempt to make one out of them? If so, what is the experience and the evidence on which he is founding such a decision? Surely the House of Commons is entitled to an answer, and why cannot we get one from the Minister of National Defence? Of course we appreciate his attitude. We have seen it now, month after month. He thinks that nobody on the opposition side knows anything about defence. I recall asking him if he wanted to get advice from the special committee on defence last fall. He said: No, I do not require advice from the committee. Yet the committee was supposedly set up to give him advice. This is the type of arrogant attitude which the minister has shown, and it is regrettable.

What we fail to understand is why the minister, as a responsible minister of the

crown, will not give answers to these questions. He sits silent with regard to the unification of the services. He has told us at other times, or his words lend themselves to this interpretation, that he intends to have just one service. Frankly I do not see how that is possible. I do not see how it is possible to combine naval, air and land services into one force. Men are not interchangeable to that extent. I can understand—and I have seen this in actual practice—a combination of services working together effectively. That has been the experience in various wars, particularly in the second world war. But what does the minister mean? Is he wiping out the infantry regiments and the tank regiments which have a tradition behind them going back almost a hundred years?

Mr. Hellyer: No.

Mr. Churchill: Is he retaining the highland regiments, for example? Why cannot he answer that simple question?

Mr. Hellyer: I already have.

Mr. Churchill: Is he retaining the artillery regiment or is he wiping it out? What about the engineers? Then where does the air force come in, and the navy? Are these men all to be in the same service or is there some misunderstanding of what the minister has been saying? I submit these are fair and reasonable questions and we should have from this minister reasonable answers. This silence of contempt is a shocking attitude to adopt toward parliament and, once again, I call upon the minister to give us a comprehensive statement in answer to our legitimate queries. He should inform the House of Commons of these things. Where else can we get information, if not here in this chamber? I make one final request to the Minister of National Defence. Let us have the answers.

The Chairman: The hon. member for Edmonton West.

Some hon. Members: Filibuster.

Mr. Lambert: Hon. members who sit in their places and make a lot of noise, calling "filibuster", show precisely how much they feel they know about this. They cannot stand up and replace the minister, telling us what is meant by integration and unification of command, and how far it is to go. There is but one of them who could do that. We are being asked to buy a pig in a poke. Unless the minister will come forward and give us an indication of what he intends to do, that is the situation.

A few moments ago the hon. gentleman said there had been some changes brought about at the level of the lower echelons but that each service maintained an effective veto over how far the process went. Does he intend to do away with that veto, and is there to be an elimination of the individual services consequent upon the elimination of that veto? These are matters which should be clarified. It would be simple for the minister to tell us what he thinks about this. After all, it is he who is proposing the changes. Let him who proposes the changes prove his case. That is the simple practice in everyday business and it should be applicable in parliament. If the minister wants to make changes, let him prove his case. This does not consist of making merely the flat statement: I think this is a better way to do things. If the minister is confident that what he proposes is correct, then surely, nothing should deter him from putting forward reasons for his attitude. They are not bound up in some great mythology. There is no one who has placed a "super confidential" stamp on them. They are not contained in any white paper. The statements the minister has made are general. He gave me a classic answer at the first committee hearing, and I must say that if the minister wants to think these words mean anything to anyone they certainly do not mean anything to me. He said, as reported at page 30 of the report:

> I think the motivation is simply this, to get the maximum amount of effective forces in the highest state of readiness for the least amount of money.

What a lot of gobbledygook. That was his answer to the question as to his ultimate plans and upon whose advice he had acted in this connection. What the minister has stated is certainly the motivation which is behind the actions of his predecessors. But who does he think he is? Is he some divinely inspired minister of national defence who has suddenly discovered the truth? It is nonsense to adopt the attitude he has.

Mr. Habel: It is you who are talking nonsense.

Mr. Lambert: Well, he has more sense than the hon. member for Cochrane. Surely the minister can be frank with us and give us these answers.

Mr. Grégoire: Carried.

Mr. Lambert: But he sits there silent. We know the hon. member for Lapointe thinks he is back in high school and is trying to draw attention to the spoilt brat he might have

been. But once again I appeal to the minister to give us the real reason why he is going back to this system that he is asking the house to approve, and to indicate why he prefers it to other systems. Let him give us some hard reasons. Surely to goodness he has them, so why can he not give them to us? We would not have been spending at least an hour and a quarter trying to get him to give us some answers otherwise. And let no one say "filibuster". I am sure the hon. member for Notre Dame de Grâce brings a great deal of deliberation to this matter, sitting there as he does, muttering from his seat. Since he was a member of the defence committee we would have liked his observations in this regard, but we have not had them yet.

The Deputy Chairman: Shall clause 1 carry?

Mr. Diefenbaker: Mr. Chairman, this has been an interesting debate, one which recalls to my mind events of not so many years ago. Questions have been asked this afternoon and evening which parliament has a right to have answered. The minister has proceeded throughout the afternoon, with the exception of one or two more or less unimportant contributions, to remain silent and to follow a course of action which has been his since the time he became minister. One cannot but recall that no minister has since the year 1956 followed the course which has characterized this minister today and on previous occasions. His attitude is one which is in keeping with what took place in 1955 and 1956. It is that of a minister who refuses to give information; who regards his silence as something which is commendable; who refuses to furnish parliament with answers to reasonable questions; who sits and smiles and sneers when asked questions which are of pre-eminent importance to Canada.

I am not going to press him any further to answer these questions. I am simply going to point out that it is this attitude of insolent arrogance which brought about in 1957 a change of government. It is an attitude on the part of a minister who refuses to answer, having brought in legislation which will effect tremendous changes in the life and future of many thousands of Canadians in the armed forces. This is a minister who has been questioned by two hon. gentlemen who have occupied the portfolio of defence. The minister's answers have been proven—those which he gave—to be totally out of consonance with the facts and the course respecting defence organization in the United Kingdom. This is an example of the arrogance that so often in the past was the characteristic trade mark of those who now sit opposite.

I can only point out once more that the retribution that comes to those who refuse to answer is recorded in the history of our country constitutionally and on more than one occasion. It is an attitude on the part of ministers—and there are only a few of them sitting opposite who have this attitude—of treating parliament with contempt and with a cavalier disregard of the rights of members of this house. I look back over the years to some former ministers of defence. I think of Ralston, I think of Power, I think of Macdonald during the days of war. I hear the Minister of Trade and Commerce applauding because he knew them. Those ministers answered questions when they occupied the position of defence minister.

Mr. MacEwan: They knew the answers.

Mr. Diefenbaker: Yes, they knew the answers. I would not suggest that the minister today does not know the answers, but if he does he is the only one among many of the ministers who qualify for the descriptive phrase that was used in 1962—"We have the answers".

What, Mr. Chairman, are the answers in this connection? Silence, insolence, arrogance; an attitude of sitting tight and refusing to answer. I am going to conclude—

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Chairman, it must please you to find that these hon. gentlemen opposite are still able to hammer their desks because this is the only contribution most of them make to the discussion of a matter of great importance to our country. The government represented by the minister has refused to give any answers. I leave it there; time will tell.

Mr. Hellyer: Mr. Chairman, they also serve who only sit and wait.

Mr. Diefenbaker: Mr. Chairman, the minister says, "They also serve who only sit and wait." If that were the qualification for membership in the House of Commons, the minister is pre-eminent among all the ministers who have occupied the portfolio of defence throughout the years.

The Chairman: Shall clause 1 carry?

Clause agreed to.

Clauses 2 to 10 inclusive agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time; now?

Some hon. Members: No; next sitting.

Mr. Deputy Speaker: Is it the intention of the minister to move that the said bill be now read a third time?

Mr. Hellyer moved the third reading of the bill.

Mr. Deputy Speaker: I would remind the house that it is not necessary that we have consent for third reading, because we did not have second reading today.

Mr. Diefenbaker: If I might be allowed to speak to this, Mr. Speaker, we have found ourselves in the position this afternoon and evening of having a minister who has refused to answer questions—

Some hon. Members: Order.

Mr. Diefenbaker: —and who has followed a course of stubborn denial in regard to answering questions. I suggest that parliament and this house be not further bulldozed by having third reading tonight and that it be set over until tomorrow.

Mr. Deputy Speaker: I might refer hon. members to standing order 78, subsection 2. If the minister wishes to make his motion now, we will vote on the motion; but it does not require the consent of the house to make the motion at this time.

Mr. Diefenbaker: No; it just requires ordinary parliamentary consideration.

Mr. Dupuis: That is what you did for six years.

Mr. Deputy Speaker: When shall the said bill be read a third time; now?

Some hon. Members: Now.

Mr. Deputy Speaker: Mr. Hellyer, seconded by Mr. Martin (Essex East), moves that the said bill be now read a third time and do pass. Is it the pleasure of the house to adopt the said motion?

Some hon. Members: Carried.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, we are now on third reading; is that correct?

Mr. Deputy Speaker: That is correct. There is a motion for third reading.

Mr. Churchill: Third reading is debatable, and this is the type of bill that deserves full consideration.

Some hon. Members: Oh, oh.

Mr. Churchill: We have had an exhibition tonight of the most unco-operative attitude on the part of a minister of the crown that I have seen since I have been here, with perhaps the exception of some episodes in 1956.

Mr. Grégoire: And in 1962.

Mr. Churchill: We fully expected from this minister, who has received such glowing press reports from time to time—inspired, I presume, by his own office—some first-class exposition of his policy with regard to national defence. But he has taken the attitude of silence; he has nothing to say with regard to the bill which he is putting before us. On the one or two occasions when he did attempt to make an intervention, we pointed out his error, his lack of knowledge of the subject matter.

Mr. Speaker, this bill deals with the setting up of a supreme commander in place of the present chairman of the chiefs of staff committee and the various chiefs who have been serving under him. We are now to have one single commander for the armed services of this country—a system outmoded, outdated which has been proved beyond peradventure to be ineffective; a method used in the past by the United Kingdom, which resulted in unnecessary losses to that country in warfare.

With that type of experience behind the minister, if he has any knowledge of the past at all, he has persisted in foisting upon this country this outdated, outmoded and inefficient system and he is going to hand over to one single individual the control of the armed forces of this country under the supervision of the Minister of National Defence. I have indicated already tonight that as far as we are concerned, we have no confidence in this Minister of National Defence; and if we have no confidence in him, what about the services generally? This is the weakness of pushing a man ahead too fast when he is unprepared for the responsibilities; a man without any great experience in government administration; a man without any substantial experience with the services—and yet this man, lacking this experience, is attempting to sweep away the fundamentals pertaining to the services. No man who had substantial military experience would do this; he would pause when attention was drawn to the problem. But this is what we get with a person who has been pushed ahead, pampered, raised up as—

Mr. Deputy Speaker: Order. May I be allowed to bring to the attention of the hon. member who has the floor that on third reading the discussion is limited strictly to the bill itself. In the opinion of the Chair, when the hon. member is referring to the qualifications of the minister to hold his portfolio it seems to me he is going beyond the terms of the bill before the house.

Mr. Churchill: Mr. Speaker, I was referring to the lack of qualifications of the minister to hold his portfolio, and I think I have amply demonstrated that.

Mr. Winch: What were your qualifications when you had the job?

Mr. Churchill: Mr. Speaker, the hon. member for Vancouver East has asked me what my qualifications were when I held the portfolio of minister of national defence. At that time I had some experience in government, and I had some experience in warfare. Perhaps a similar experience was open to the hon. member for Vancouver East, if he had wanted to take advantage of the opportunity; I do not know.

Mr. Winch: The member for Vancouver East fulfilled the service he was allowed to according to law, and served in the armed forces.

Mr. Churchill: I am very glad to hear that, but before the hon. member interrupts again I suggest that he should be more sure of his ground before talking about qualifications.

Mr. Winkler: And have a look at the record.

Some hon. Members: Carried.

Mr. Churchill: If we are to have these catcalls and cries of "carried" by people who have no knowledge of military matters, I am prepared to wait for silence in the chamber. It does interfere with debate and makes it difficult to continue. We will probably hear from some other people pretty soon whose opportunities were not grasped at the time.

As I was saying a few minutes ago before the interruption, the purpose of the bill is to replace the chairman of the chiefs of staff committee and the chiefs of the naval staff, general staff and air staff with an authority who will be charged with all the functions, powers and duties of the persons being replaced, to be known as the chief of the defence staff. That is the main purpose of the bill, and the other clauses of the bill are consequential because of that particular amendment.

We have endeavoured to point out the weaknesses of the system proposed by the bill. We have endeavoured to show that putting one man in supreme command is a weakness. We have suggested that it would be better to have a council charged with responsibility and that with such a council, consisting of a certain number of military advisers and a certain number of civilian advisers given power and not simply acting in an advisory capacity, two things would be accomplished. First, civilian control over the armed services would be maintained, which is essential under our democratic system. Second, the minister would have military advice over and above that which might be proffered by the supreme commander alone.

The idea of having a supreme commander is attractive to some minds and has been and still is used in some countries. But in some countries where there is a supreme commander in charge you get revolutions and undue influence on the part of the services with regard to the government of the day. This is something to be avoided. That is why in countries with lengthy democratic experience civilian control is emphasized, strengthened and maintained.

In considering this particular bill our suggestion was that it would be far better to have a council comprised of military and civilian representatives with authority to reach decisions with regard to a great many problems. The problem of procurement of equipment, in which taxation is involved, the problems of recruiting, mobilization of manpower, accommodation, transportation for troops, the allocation of equipment and money among the navy, army and air force, all these things are better decided by a council of military and civilian advisers working together with the minister than by one supreme commander on his own initiative.

It is all very well to say that an advisory council is being set up and that this council will provide the military and civilian advice requisite under the circumstances. That is entirely different from having a council charged with responsibility. If such a council consists of seven members, those seven members, acting somewhat like a cabinet, have to take collective responsibility for the decision they have reached. This would provide a more sensible method of looking after our national defence problems than the one man idea, because in that council you would

have the benefit of the experience and advice of seven or eight people.

Under the bill now before the house the contrary will prove to be the case. The supreme commander will reach his decisions based, of course, on consultations with others of lower rank. He will consult with civilian advisers within the department, but in the final analysis he has to make a decision and give his advice to the minister. Then you can have a conflict between two people, the supreme commander and the minister. The minister is responsible to cabinet and to parliament and has to accept the responsibility.

We have tried to point out the dangers inherent in a system where you have two people who are obliged to agree or else one or the other has to go. What position will the supreme commander be placed in if his advice to his minister is that, for example, there should be a vast increase in one of the three services and the minister is of the opinion that this is wrong, and one of the other services should receive greater attention? What happens? If the supreme commander is adamant, what does the minister do? On the one hand, the minister becomes just a satellite of the supreme commander and has to take his word for everything. On the other hand, if the minister enforces his will on the supreme commander and tries to get him to do something contrary to his military experience, the supreme commander either becomes a tool or puppet of the minister or he resigns and you have an upset in the system.

I know it has been argued that the committee system is unsound, but this is not a committee system that we have been advocating. It is a council; it is a meeting of minds just as in the cabinet. It is a relatively small council but it carries responsibility and gives instructions to the forces.

Attention has been drawn to the fact that a supreme commander may have undue influence on subordinate commanders. He may tend to surround himself, and this is natural and characteristic of human nature, with men of like mind, men who have the same ideas as himself. Under those circumstances how can you get a proper decision? There is plenty of experience both in wartime and between wars to indicate what happens when people in military forces get fixed ideas. I can give one or two examples which come readily to mind. In between the two wars we continued in Canada cavalry formations. Yet in the first war the cavalry, except in Palestine and in the very early days in 1914, was a useless weapon. The cavalry massed on the front for the breakthrough which did not occur, and when the Canadian cavalry brigade did get through on August 8 and 9, 1918, they were mown down. About 80 per cent of the force was destroyed by machine gun fire in just a few minutes.

Well, that is one example of what happens when people have fixed ideas. The people who were in control in between wars still pinned their faith on horse cavalry and neglected the new arm, the tank. Canada went into action in 1939 and 1940 ill-equipped for modern warfare. Supposing you get a supreme commander whose mind is cast in a mould that favours an outdated method of conducting warfare, an outdated method of training troops or an outdated concept of how a war should be fought. We will run into trouble. The frailty of the human mind is such that this is what might well happen, and we have seen it happen in the past. It can be observed in a reading of history.

I well recall another example of the fixed military mind or the inexperienced military mind. At the conclusion of the second world war a meeting was held in London with regard to an armoured personnel carrier. Three officers of the Canadian army were summoned to the meeting in London to put forward a proposal as to the type of vehicle which should be used as an armoured personnel carrier. Within 20 miles of London I was resident in a camp, and I was the only officer with the rank of lieutenant colonel who had used an armoured personnel carrier in action, but I was not consulted. Three officers who had never seen one in action sat down at a meeting to determine what an armoured personnel carrier should be like. This is the result of the fixed military mind which sometimes cannot see the woods for the trees.

We have seen the situation here in Canada. Only now are we getting to the point where we will have an armoured personnel carrier for our infantry forces. Despite speech after speech I made when I used to sit in the back row of this house concerning the necessity for an armoured personnel carrier in order to save the lives of infantrymen, it is now 1964 and we still have not an armoured personnel carrier.

This is one of the problems that arise in the field of national defence. I have just given you examples from my own experience. I expect similar examples to be drawn from the navy. Supposing there is not a

nuclear war, but another war in which transport vessels have to be escorted across the ocean. Supposing the man in charge is against the convoy system. We have been through that in the history of the last 40 years. This was the trouble in the first world war. There was no effective convoy system introduced against the threat of the submarine because of the fixed military mind among the admirals. The danger that you run into, therefore, is this danger of having one man in complete charge. If his mind is inflexible, if he is determined on his course, what can you do? It is for this reason we suggest that instead of one supreme commander there should be a council, mixing military people with civilians and retaining civilian control which is essential, because in a democracy the civilian control is paramount. The armed services must be given direction from the civilian authorities.

We are opposing this bill, Mr. Speaker, on the grounds that it represents a throwback to earlier times. It is bringing into Canada a system which was rejected many years ago both in Canada and in the United Kingdom. We think it is absolutely unsound. The minister, intent as he is on reform, should have moved more slowly, one step at a time. If in the Department of National Defence there were too many committees and subcommittees, too much duplication of effort, why did he not try the system suggested by Air Marshal Curtis of giving more authority to the chief of staff or make the chairman of the chiefs of staff, along with the other chiefs of staff, into a council and give them the authority? He could have tried it out to see how it would go. Oh no, this minister says this is a new idea. Not having read history and being bereft of any practical experience, he seizes upon this idea of a supreme commander and now is attempting to foist it upon our armed services.

He says that this is just a step toward unification of the services. I fully appreciate, Mr. Speaker, that I cannot deal with that particular subject but I refer to it because the minister has indicated that is his intention. This is step No. 1, the supreme commander, and then the unification of the services. We feel that in this instance the minister has made a serious mistake. We have expressed our regret that he has been unco-operative. I now believe his lack of co-operation is due to a lack of knowledge of his subject. We regret that he failed to answer our questions and to explain what is in his mind with regard to his proposals for the future. It is our intention to oppose this bill at the third reading stage.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I am happy for the opportunity provided by this debate on third reading to join my colleague, the hon. member for Winnipeg South Centre (Mr. Churchill) in making a few observations. Unfortunately, it was not possible for me to be in the house earlier in the day. I think the subject matter is of sufficient importance that we should take advantage of this opportunity which is not usually taken on third reading to add some further comments.

I cannot join in the criticism of my colleague who has indicated that during the course of the debate today many questions were not answered in connection with this important subject of the reorganization of the Canadian armed forces. However, there were general questions of policy that remained unanswered, and which I would like to bring to the attention of the house at this stage of the discussion.

First, as we heard during the debate, this is not a new method or technique of organization so far as the experiences of other countries are concerned. This leads to the question that having been tried in other countries, particularly a country like the United Kingdom with its wide ranging military responsibilities, is this sudden leap forward in reorganization in the best interests of efficiency at this critical juncture in our nation's history?

The bill before us, which provides for a supreme commander of the armed forces, is more concerned with the public relations aspect of reorganization arising out of the recommendations of the white paper on national defence than it is a realistic approach to reorganization in the interests of manpower economy as well as actual fiscal economy. When the white paper was produced I was one of the first to criticize it as more of a public relations document than as a concrete effort to meet the difficulties of Canadian armed forces organization, difficulties which are not new, because up until recent years, except in times of war, Canada's military formations have pursued a rather disjointed policy.

The whole idea of integration emerged gradually in recent years. It began actually with the advent of General Pearkes to the ministry, when he started a trend toward integration which was designed as a new approach to reorganization. Now suddenly in this bill we have abandoned the gradual ap-

proach and in one fell swoop, at least according to the public relations aspect, we are trying to unscramble all the errors of policy, or lack of policy, which had given rise to the difficulties of armed forces organization down through the years.

There has been a tendency on the part of the government of Canada to downgrade the importance and significance of our armed forces in peacetime. This was the pattern between world war I and world war II, and it was followed to such a disastrous extent following world war II that when the crisis of Korea came upon us Canada had to embark suddenly upon a crash program. In fact this was the name given to the program of recruiting and reorganization that took place at that time by the then minister, Hon. Brooke Claxton. He referred to the crash program that was necessary in order to gear the Canadian military formations to the demands of the struggle in Korea.

I suggest that the proposal before us has somewhat of the unplanned crash aspect that the hurried unplanned activities to meet the Korean crisis had back in 1950. But it goes even further than that. One of the reasons why we have had such extreme difficulty and extended debates on defence during the fifties and the sixties is because of the lack of consistency in policy until the advent of General Pearkes to the ministry. This lack of consistency created a perpetual crisis in defence planning, particularly in the air force sector of the Department of National Defence.

We had some momentous debates in this house when this party formed the government, when the first gradual move towards integration took place, when Canada embraced the NORAD system of defence after a long period of delay and hesitancy on the part of the previous Liberal administration. The Liberal party then in opposition were highly critical of even the gradual approach toward integration of the service aspects of the armed forces. They were particularly critical of some of the reversed decisions with respect to planning for the equipment needs of the air force arm of Canada's forces. I refer, of course, to the noisy debates that took place at the time of the cancellation of the Arrow program.

Why did it become necessary to cancel the Arrow program? It was simply because of the crash type of planning referred to by Hon. Brooke Claxton, which became necessary to meet the demands of the air force. All the resources of that rapidly growing air industry in Canada, A. V. Roe at Malton, were suddenly diverted from peacetime pursuits, such as work on the jetliner, and concentrated on producing the CF-100, which became quickly obsolescent and was superseded by the CF-105, because no careful long term policy planning to meet the hardware needs of the air force had ever been undertaken.

The former Conservative government was strenuously criticized for its decisive action in this regard. I am not going to revive the debate at this time other than to point out that decisions of that kind became necessary because there had been no consistent policy planning to meet the needs placed upon Canada's armed forces immediately following world war II. Not only did it become necessary, to meet the Korean crisis, to institute crash programming, but I can remember in the years 1946 and 1947 when Canada was asked to participate in the occupation of Europe, the Liberal government of that day had decimated our armed forces to such an extent that we were not able to take our rightful place, a place that Canada had merited by reason of her outstanding contribution in world war II. We were not able to take that place because of this tendency to proceed on a hit and miss basis in meeting our peacetime armed forces commitments. It seems to me that the desire of successive Liberal administrations has been to reduce our spending on the forces to an irreducible minimum, even though it came down from $2 billion in the early fifties to $1½ billion due to the economies of the former Conservative administration.

I feel that this bill which would place a supreme commander in charge of Canada's armed forces is putting the cart before the horse. Before we have a supreme commander to carry out the organization as outlined in the white paper I would suggest that the government and the Department of National Defence should proceed to more specific planning in the direction of integration than is outlined in the white paper. I presume that some of the policy questions which were asked this afternoon and which remain unanswered were related to some of these specifics which still have not been explained by the Minister of National Defence.

There is one further aspect of this subject which concerns me. It seems to me that having embraced the NORAD concept of continental defence—and I would remind the house that it was a Conservative government which first accepted the principle of continental responsibility for the defence of

North America—the new administration is going to the extreme pole in this aspect of armed forces reorganization. They were hesitant to embrace the NORAD principle early in 1956 and 1957 because to a certain extent it meant the surrender of national sovereignty. But now—and this is the only possible manner in which the new top level structure of the armed forces organization as contemplated by this legislation could possibly work—it seems to me that we are surrendering the sovereignty of Canada's forces to another power.

Let me by way of illustration refer to the so-called Bomarc debate. This was an even more furious debate both in the House of Commons and across the nation than was the debate concerning the cancellation of the Arrow program. The essential point at issue in the Bomarc debate was the loss of Canada's ultimate sovereignty over her own armed forces. When I hear of the gradual disbandment of fighter squadrons such as 410 squadron, and more recently 414 squadron, it seems to me that this planning will reduce Canada's air force potential to complete dependence upon United States airpower. The essence of the Bomarc question was simply this: Is Canada to maintain ultimate control over her own armed forces or is she to surrender this control to a foreign power? We are reduced to three fighter squadrons—three all-weather fighter interceptor squadrons and two Bomarc squadrons armed with atomic warheads. It is still not known whether Canada has ultimate control over those warheads. It seems to me that these policy decisions have already been taken by the government in anticipation of the structural reorganization contemplated in Bill No. C-90 and if the government proceeds with this reorganization at the upper echelon of the officer level, the supreme commander will merely be accepting the policy put forward by the government which has already acquiesced in the ultimate and final control of the Canadian armed forces by the government of the United States.

This is a question which concerns other countries besides Canada. For example in the British House of Commons just two weeks ago the government came under fire from the Labour opposition for accepting submarines armed with the Polaris missile in much the same way as the former Liberal opposition criticized the Conservative government of the day for its acceptance of the Bomarc without the final decision concerning the atomic warhead. The defence of the British government, as was the defence of the Canadian government during that debate, was: The warhead is American; the Polaris is American; but ultimate control of the missile will remain in the hands of the British government. It seems to me this is the crux of the matter and it is of fundamental importance to Canada as a nation, because if we are surrendering military sovereignty it is a long step toward surrendering political sovereignty.

Mr. Deputy Speaker: Is it the desire of the house that I call it 10.30 and put the question? Is the house ready for the question?

Mr. Churchill: No, Mr. Speaker; you have called it 10.30.

BUSINESS OF THE HOUSE

Mr. Churchill: I would ask the leader of the house what the business is for tomorrow and the next day.

Mr. Favreau: We hope to have third reading of Bill No. C-90 on national defence, after which we shall proceed with the second reading of the youth allowance bill. We would hope, because of the urgency of this matter and the public interest as expressed by all parties, that we could dispose of the committee stage and third reading in succession, after which we will proceed with the resolution preceding the bill revising certain fiscal arrangements. That would be followed by the committee stage debate and third reading of Bill No. S-17 respecting the territorial sea and fishing zones.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

PENSIONS—CANADA PLAN—REQUEST THAT CONSIDERATION BE CONTINUED TO CONCLUSION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, last Friday morning, July 3, as recorded in *Hansard* at page 4992, I drew the Prime Minister's attention to the very firm announcement he had made on Tuesday, June 30, at page 4907 of *Hansard,* with regard to the debate on the flag. As hon. members are aware, that announcement was

in definitive language to the effect that the debate on the flag would be continued until it had been concluded. Accordingly I asked the Prime Minister whether he would not give the house an equally firm assurance that the legislation respecting the Canada pension plan would be continued in this session until it had been concluded. As hon. members will recall, the Prime Minister's reply was that the Canada pension plan would be introduced in the fall part of this session and that it would be proceeded with, but that further than that he could only say that he hoped it would be concluded.

My point in asking for this matter to be transferred to this overtime period is surely quite clear. I think it is a very reasonable request which we are making on the floor of this house that there be at least as definite an assurance regarding the Canada pension plan as has been given with respect to the flag. I would point out that the assurance about the flag debate is that it will be concluded before the house rises for a summer recess. All I am asking with regard to the Canada pension plan is for an assurance that it be concluded before the session ends; and it begins to look—I am not jesting; I am making a serious prediction—as though the session probably will not end until Christmas.

I think we have the right, Mr. Speaker, to have an equally definite assurance with regard to the Canada pension plan, and I hope that the house leader, who I understand will be answering on behalf of the Prime Minister, will give that assurance tonight. As hon. members know, we in this party—and I think this is true of members of other parties as well—would like to see the Canada pension plan brought on sooner. We would like to see it brought on this summer. Indeed, that was the original plan. But as announced by the Prime Minister when he spoke about the business of the house last Tuesday night, it is a fact that we have had negotiations respecting the business of the house to be dealt with during the summer weeks. The results of those negotiations, as I say, were announced by the Prime Minister last Tuesday night, so it is clear to everyone that dealing with the Canada pension plan has been put off till the fall.

It is an open secret that one of the reasons it is being put off is because it is taking time to draft the legislation in its revised form. In other words, the bill is not yet ready. I am accepting the result of those negotiations; indeed, I must accept them because I took part in them. But I am concerned as to what will happen in the fall. When the fall comes we will have a long list of items before us. One of the top items will be redistribution, which I think should have high priority. There will also be the legislation regarding the Bank Act, and that concerning the department of forestry and rural development. There will be legislation setting up the treasury board as a department of government; there will be legislation on periodical publications, the railway legislation, the national labour code, and 15 or 20 other items. In addition to all these items there will be practically all the main estimates.

Surely hon. members can see the terrific competition there is going to be for parliamentary time in the 12 or 14 weeks between our coming back here in the fall—or maybe we will still be here, with the flag debate having lasted throughout the summer—and Christmas. In those 12 or 14 weeks there will be tremendous competition for parliamentary time, as I have said, and I know what will happen because I have been through it a good many times. We will start to have meetings of house leaders and party representatives, and we will have to face the fact that we cannot deal with everything; therefore some things will have to be left over until next year. My fear is that if we do not get moving with the Canada pension plan, if we do not receive a firm assurance from the government, it is one of the pieces of legislation which may very well be put off until next year.

First of all, Mr. Speaker, we were going to have it last year, but it was put off until 1964. It has already been put off a couple of times this year. I say that in view of the importance of this piece of legislation, in view of the place it occupied in the government's election platform of 1963, it is not good enough for us to be told by the Prime Minister (Mr. Pearson) merely that he hopes it will be dealt with at this session. I think we have the right to be given the assurance that it will be proceeded with, and proceeded with to a conclusion; and we should have an assurance that is just as strong as that which we have had with respect to the flag. We know that the Canada pension plan after second reading will be referred to a committee. That would be a good time to resume the debate on redistribution. But first of all let us get the Canada pension plan moving this fall, and let us have the assurance now that it is going to be stayed with until concluded; let it be just as firm an assurance as we have had with respect to the flag.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, one thing that I must first make note of in this house is the interest of the hon. gentleman who has just spoken in the matter of the Canada pension plan, and the other matter which I must note, in due justice to him, is the genuine character of the interest which he bears to the question. I may assure him that the sincerity of the government and the government's desire to proceed with the Canada pension plan as early and as definitely as possible is just as genuine and intense as his own.

The government is, as the hon. gentleman noted, at the present time completing the drafting of the bill in certain of its technical aspects. In view of the discussions which have taken place in this respect and certain modifications which have been agreed to for the purpose of assuring that this country once and for all will have a nation-wide Canada pension scheme, of course certain adjustments had to be made and they must be reflected, especially the technicalities involved, in the actual drafting of the bill.

I can assure this house that it is the firm intention of the government to do everything possible so that the final stage of the legislative process with respect to this legislation can be achieved and completed before the end of the current session in the fall. But the Prime Minister of course could not state a date the other day. In this connection I want to say that the government does not have the same measure of control over the continuity of the legislative process with respect to the pension bill. It will, as the Prime Minister said, be sent to a committee and will have to go through all stages. But, given the full assistance and co-operation of the house at each stage, the government undertakes to obtain the completion of the legislative process with respect to the Canada pension plan before the end of the session.

Mr. Knowles: Keep us in session until it is done.

TRANSPORT—RICHELIEU WATERWAY—STUDY BY INTERNATIONAL JOINT COMMISSION

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, last Friday I asked the Prime Minister if the government was going to proceed shortly with the Richelieu deep waterway project.

In 1961, the Conservative government asked the boundary waters commission to make a survey in order to carry out, if possible, the Richelieu deep waterway project. That study must be over now, I am quite sure.

It would be of importance to connect Montreal and New York through the Richelieu river, which is the shortest navigable waterway. The route between Montreal and New York would be shortened by 1500 miles through that waterway, instead of going around by the gulf of St. Lawrence and the Atlantic ocean. By using that means of transportation, Canada would save $125 million a year.

Since Canada is ready to pay in full expenditures connected with its troops in Cyprus, without any help from the United Nations, I wonder why the government is delaying the implementation of that project which is of vital importance to our country's economy.

I would like to know if anyone is against it and why the work is being postponed.

Referring to the newspaper *Le Devoir* for September 19, 1960, I note that the hon. members for St. Jean-Iberville-Napierville (Mr. Dupuis) and Richelieu-Verchères (Mr. Cardin), both ministers now, met with their colleagues from the Quebec legislative assembly and approved a resolution asking Ottawa to carry out an investigation, which was ordered by the Conservative government. The government was also asked to proceed with the deepening of the Richelieu river in the fall of 1960.

Appearing before the international boundary waters commission and speaking on behalf of the chamber of commerce of greater Sorel, Mr. Henri Ollivier stressed the important economic advantages which could be derived from the deepening of the Richelieu river. Numerous steps were also taken in that connection by the late Dr. C. Robert Fiset, former mayor of Sorel, who worked intensively in that respect.

The St. John chamber of commerce submitted two briefs to the international boundary waters commission during the latter's sittings in the city of St. John in the riding now represented by the Minister without Portfolio.

Mr. Speaker, since the Associate Minister of National Defence and the Minister without Portfolio advocated the implementation of that project a few years ago, I wonder what they are doing now in this connection. That is why I am asking the minister to render them at least a service, to help with their re-election, if possible, while looking after the interests of the Canadian people.

Moreover, I ask the minister to tell us what serious objections the government would have to proceeding without delay, jointly with the United States, to the deepening of the Richelieu river?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. member asks about the progress of the studies concerning the Richelieu deep waterway project. I must tell him that since the governments of Canada and the United States asked the international joint commission to make an inquiry as to whether the project was feasible and beneficial from an economic point of view, it held public hearings in the area concerned on both sides of the boundary. The commission also appointed a board of experts which is now pursuing its work and technical investigation. The commission expects to receive from the investigation board a preliminary report on the feasibility of the project by June 1965. When it receives that report, the commission may take a decision as to the "form" of its own report to the two governments, and the date when it will be submitted.

We will consider seriously the arguments advanced by the hon. member for Joliette-L'Assomption-Montcalm, who so efficiently supported the representations of various members on the government side.

[*Text*]

Motion agreed to and the house adjourned at 10.50 p.m.

HOUSE OF COMMONS

Tuesday, July 7, 1964

The house met at 2 p.m.

LABOUR RELATIONS

NON-OPERATING RAILWAY EMPLOYEES—COMMUNICATIONS RESPECTING CONCILIATION BOARD REPORT

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I wonder whether the house would permit me to read a telegram I received just before coming into the house, which is signed by vice presidents of the two railway companies and has to do with the outstanding discussions between the railways and the unions. This telegram reads as follows:

The following telegram has been sent to Mr. Bernard Wilson, director of industrial relations, Department of Labour:

"In the matter of the Industrial Relations and Disputes Investigation Act and a dispute affecting the negotiating committee representing the associated non-operating unions—

Dear Mr. Wilson:

With your letter of May 26th, our file 761:325:64, you sent us a copy of the report of the board of conciliation and investigation which dealt with the above dispute. Since receipt of the report, the presidents of Canadian National and Canadian Pacific have had discussions with government. We are now communicating with Mr. F. H. Hall, chairman of the associated non-operating unions negotiating committee, to arrange a meeting for the purpose of negotiating an agreement on the basis of the conciliation board's recommendations."

Yours very truly,

D. I. McNeill, vice president, personnel, Canadian Pacific Railway Company

W. T. Wilson, vice president, personnel and labour relations, Canadian National Railways

Perhaps it might be convenient for hon. members if there could be agreement to have two further communications appended to today's *Hansard*. It is not necessary to follow this course in connection with the telegram I just read because it will be in *Hansard* itself. The other two communications are a letter dated June 22 addressed to the Prime Minister by the presidents of the two railways, and a reply, in identical terms, to the presidents of the two railways dated June 30, which refer to the matter mentioned in the report. In view of the very general interest I wonder if, when these are tabled, the house would consider giving consent to having them appear as an appendix to today's *Hansard*.

Mr. Diefenbaker: What is the nature of the letter, the substance of the letter?

Mr. Pickersgill: The letter from the railway companies sets out the position taken by the railway companies with regard to the conciliation board report, and the Prime Minister's letter is a reply to the letter.

Mr. Speaker: Is it the pleasure of the house to grant consent?

Some hon. Members: Agreed.

[*Editor's note: For text of documents above referred to see appendix.*]

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to say a few words concerning the statement just made by the Minister of Transport and the document he has tabled.

We all know the railway unions and the management of the two largest railway companies in Canada are now negotiating the renewal of their contracts.

All sorts of rumours are circulating at the present time—in fact, they are not just rumours, since the Minister of Transport, by the replies he gave yesterday, seemed to imply they were true—to the effect that the federal government would provide new subsidies to the C.N.R. and C.P.R. to offset the salary increase which will be granted to employees of those two large companies.

We have nothing to say against a wage increase for railway employees, on the contrary; however, we object to the government increasing its subsidies to the two railway companies concerned, because we note at the present time that the rates of those companies are much lower than those of trucking companies for the transport of similar goods. This is unfair competition, since the railway companies are using moneys granted by the federal government and the Department of Transport to cut down their rates. Taxes paid by private trucking companies are used to subsidize their competitors which can thus reduce their rates.

Mr. Speaker, this is something quite inconsistent and absurd. The private trucking industry in Canada is being jeopardized with the taxes paid by the people.

I feel that the Minister of Transport should give the house the formal assurance that there will be no further development in the granting of subsidies to railway companies until the matter is aired before the house and then referred to the committee on railways, airlines and telegraph lines.

The minister said that the MacPherson report would be considered in the fall. I suggest, however, that the Department of Transport should not grant any additional subsidies to the C.N.R. or to the C.P.R. until the standing committee on railways, airlines and telegraph lines has had an opportunity to look into this problem of cut rates.

Mr. Speaker, the Minister of Transport should take this request into consideration and he should not add to the uneasiness which prevails at the present time in the trucking industry.

[*Text*]

Mr. D. M. Fisher (Port Arthur): We all welcome, I think, the indication that the companies are accepting the majority report. But in the news reports about the meeting with the government last week—one can assume they were somewhat inspired since no official spokesman was named—the indications were that there was some quid pro quo promised, given or undertaken by the government with regard to the companies. I think it is unfortunate the minister has not given any information as to whether there is any substance in these rumours, or about the general position the government took in regard to the majority report. If there is a quid pro quo to the companies—and it is hard to imagine the Canadian Pacific Railway being so amenable without something like this—it seems to me we should know about it at the earliest opportunity.

INDIAN AFFAIRS

ANNOUNCEMENT OF INTENSIFIED COMMUNITY DEVELOPMENT PROGRAM

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, Indian communities will be assisted in raising their living standards and improving their economic, social and cultural life by means of an intensified community development program which will supplement present government assistance.

[Mr. Grégoire.]

An investment of some $3,551,000 over the next three years is proposed for this aspect of Indian development, which will be conducted by the Indian affairs branch on its own and in association with various provincial and other agencies. This amount is the minimum needed for an intensive three year program. This is the price tag for the assembled skills, organizational instruments and operating techniques which constitute this new process.

In its application, the proposed community development program is designed to employ, to the greatest extent possible, all the available material and human resources in Indian communities and in each province. One of its effects will be to step up mobilization of Indian initiative and to further promote self sufficiency. One of its end results will be to accelerate transfer to Indian communities of responsibility and authority for the management of their affairs, with concurrent limitations in government controls.

In organizational terms, this program will provide one important framework for co-ordinating and enhancing the efforts of existing health, education, welfare and economic development services in Indian communities. In facilitating the development of Indian communities this program would fill a serious gap in existing programs and reduce costs in such palliative areas as welfare assistance payments.

The success of this latest self help program is expected to bring reserves closer to being self sufficient communities and thus reduce the need for reliance on relief and other welfare assistance. This will depend in large measure on the participation of the Indians themselves in efforts to improve their level of living with as much reliance as possible on their own initiative. The program makes provision for technical and other services which will help them to establish self sufficiency. It will be noted immediately that there are over 200,000 Indians in Canada, and that at the present rate of increase there will be around 250,000 in six years.

There is a requirement for a large number of persons skilled in the field of community development to work on reserves and, as the program develops, members of the Indian communities concerned will be engaged in developing local programs. In a number of cases community development workers will be engaged and directed by the department. In other cases, with the approval of Indian bands concerned, such workers will be supplied by arrangement with provincial gov-

ernments. Canada has a shortage of qualified workers in the field of community development and it is hoped that university courses in this field soon will be established. Special courses now are being arranged for departmental staff engaged in this work to study the essential philosophy and techniques involved.

The community development program is being introduced in the three stages beginning in 1964-65 and extending to 1966-67. The stage beyond 1966-67 will represent an on-going program. Although the community development process will result in many tangible improvements on reserves, the very nature of the process is such that it is impossible to spell out in advance which specific projects and services are to be undertaken first. To preserve the effectiveness of the community development process, therefore, and particularly the decision making process at the local level, it will be necessary to make a general allocation of community development funds to each region. Under this arrangement, specific allocation will be controlled by the regional supervisor in relation to emerging needs and development on particular reserves.

As a general principle the community development program will recognize that it is neither desirable nor practicable to abolish reserves. A corollary to this is that the perpetuation or worsening of conditions on reserves will not provide incentives for people to leave. Such conditions tend to have the opposite effect in reducing mobility. Community development therefore implies acceptance of reserves as Indian communities. A community development effort will need to be sustained at least until those reserves which have the necessary potential are brought to approximate social and economic parity with neighbouring non-Indian communities. Where no economic basis for the existence of a reserve can be found, the community development process can be employed equally effectively in resettling people in other areas.

In essence, the community development program represents a conscious effort by the government to guide the forces of change in the best interests of Indian communities and the country at large. It is based on recognition that in the past purely technological approaches have frequently failed to achieve the desired results or have caused unforeseen damage to people. In undertaking this program I will remain concerned not only with the economic and technical prerequisites and consequences of change but also with its social and cultural dimensions.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): The statement made by the minister is most interesting. It is impossible, of course, to deal in any detail now with the representations he has made in respect to the changes designed to improve and elevate the position of Indians within our country. Any action taken in this connection is most commendable, giving the Indians a greater and ever increasing equality of opportunity while at the same time maintaining the treaty rights which are of the essence of our relationship with them.

This is a further step along the road we were endeavouring to map out when we were sitting opposite, giving to the Indians equality with other citizens of our country, providing them with the franchise heretofore denied to them and also ensuring representation in parliament by the appointment of Senator Gladstone to the other place.

Over the years the Indians have been of particular interest to me, beginning when we first went west in the area of Fort Carlton. I have seen the Indians passing from a position of great difficulty and squalid poverty to a state of gradual improvement and I am sure the present plan will do still more to equalize that condition of citizenship which all of us in our country must establish. Discrimination was removed in law through the bill of rights. Economic opportunity was provided through rising standards and the provision of technical schools for the Indian people who are, technologically, of a high standard of ability, but who had not possessed an opportunity to advance and improve their position.

I say to the minister that the action outlined in this statement will receive the full support of the opposition, for all of us are tremendously interested in assuring that the Indian population of our country shall attain the highest possible standards. I return to what I said near the beginning of my remarks. At all times we must preserve their treaty rights which are sacred in their sight and sacred, in their view, to the maintenance of the relationship between the Indian population and the rest of Canada.

I hope that at the same time the minister is proceeding to have set up the Indian claims commission so that their historic rights, which too often over the years have been violated and diminished, shall be given the full consideration of a semi-judicial body and, where

wrongs have taken place, right will be substituted.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, we of the New Democratic party certainly welcome the statement which has been made to the house today by the Minister of Citizenship and Immigration. The statement, necessarily I suppose, was couched in rather broad and general terms, but as I listened to it I did feel that due consideration had been given to the need for a flexibility of approach in dealing with a community development program for the Indian people in various parts of the country. I have been feeling for some time that this session has been singularly lacking in the attention it has focused upon the affairs of the Indian people, at least on the surface of things. It is therefore good to know that the minister and his department have been doing some work behind the scenes which has resulted in this announcement today.

I was glad to note that consideration is being given to the retention of homes for the Indian people on their reserves and in their communities, because I am coming increasingly to feel that it is worth while in this country that an opportunity be given for the perpetuation of some of the contributions to our culture which can be made by the Indian people, and I think it is from their own communities that some of this type of development can stem. We certainly shall be studying the statement in detail, and probably studying with more attention and in greater detail the manner in which the proposed program is to be worked out. So often it seems that these high sounding programs, when it gets down to the brass tacks of working them out, do not meet in full the promises and purposes as announced by a minister.

Certainly as far as I am concerned, and I am sure as far as my colleagues in the New Democratic party are concerned, we do hope that this is not going to be another one of those cases where there was too little too late in dealing adequately with the situation as it affects the Indian people of Canada. I can say that we pledge our full support to the minister and the government in making this program something that will be very worth while for the Indian people of the country.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, we join in expressing appreciation to the minister for the statement he has made this afternoon with respect to the Indian community development program. We realize, of course, that this is not the time for debate, and we are looking forward to the estimates of the department being brought before us so we can get a more extended statement and also have the opportunity of discussion and debate on the matter.

We all know there is a wide divergence of opinion across the country as to the best way to meet the challenge posed by the problems of our Indian people. I feel there is a growing interest on the part of people generally with respect to this particular matter. I suggest that in conjunction with the Indian community development program it is essential that there also be an education program which will assist our Indian people to accept responsibility, to meet the challenge and to achieve the destiny which is theirs as citizens of this country.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, we approve of the intention of the Minister of Citizenship and Immigration (Mr. Tremblay) to do something in order to improve the conditions of the Indians in Canada. It is not that we do not mean well in our country but often we do not know how to go about it. In this regard we want the department to consult the representatives of the Indians when decisions have to be taken which will affect them or when certain community development programs have to be carried out.

We believe that the Indian people should be consulted, that they should voice their opinions on those programs intended to help them. The department must also see to preserve their cultural heritage and their traditions, since they were, after all, the first occupants of this country.

First of all, the Indian people need to be understood in order to be assisted.

[*Text*]

Mr. Erik Nielsen (Yukon): Mr. Speaker, I realize it is not common practice for more than one member of a party to rise on occasions of this nature, but—

Mr. Speaker: Order. I am sure the hon. member will realize that if we start making exceptions, standing orders go out the window. It is customary for only the leaders of the different parties to comment on motions.

Mr. Nielsen: Then I must raise a question of privilege, since there appears to be a great omission from the statement made by the minister. As he is aware, reserves—

Mr. Speaker: Order, please. The hon. member is surely raising a grievance, not a question of privilege, and he will have ample time to do this later on in the proceedings.

Mr. Nielsen: Sir, I believe—

Some hon. Members: Order.

Mr. Winkler: Same old gang.

Mr. Nielsen: If Your Honour will call the howlers to order so you can hear my question of privilege, perhaps a decision might be made on it. The minister in his remarks—

Some hon. Members: Order.

Mr. Nielsen: —referred only to provinces, and I was simply going to ask him whether this program applied to the Indian people in the Yukon and Northwest Territories as well.

Mr. Speaker: It seems to be quite obvious that the hon. member has raised a question which he could ask on orders of the day. There is no question of privilege or grievance here; it is merely a question.

[*Later:*]

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, perhaps I may direct a question to the Minister of Citizenship and Immigration concerning the announcement he made this afternoon. He made no mention of the Yukon and Northwest Territories, of the application of the program announced by him to those territories, although he made reference to the application of the program to reservations. As I am sure he must be aware, there are no reserves in either territory. Can he tell the house whether the program he has announced is applicable to the Indian people of the north?

[*Translation*]

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, I have indicated that, in the case of reserves, the community development program is carried out within the reserves, but we do not intend to limit our program to reserves.

Canadian Indians living in the Northwest Territories or in the Yukon will benefit by the program announced today.

[*Text*]

EXTERNAL AFFAIRS

ACCEPTANCE BY RUSSIA OF UN PEACE KEEPING FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would ask the Secretary of State for External Affairs whether any representation has been made by the U.S.S.R. to the government of Canada, as apparently has been the case with Japan, to show the acceptance by the Soviet of a peace force under the United Nations whereby all the nations except the five permanent members of the security council would make a contribution. I would also ask him whether, other than the press dispatches, there has been any communication from the Soviet government in this connection to the government of Canada.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, there has been no formal communication between the Soviet union and the government of Canada. The foreign ministry of Japan announced yesterday that it had received a proposal from the Soviet union, and an Associated Press dispatch indicated that this proposal would be circulated to members of the United Nations. That proposal has not been received yet, but I would say that, subject to careful further examination, we would regard this proposal as an important statement in principle by the Soviet union, and particularly so because of the Canadian interest in the principles of UN peace keeping.

The Soviet proposal seems to be a restatement by the Soviet union of its position with regard to article 43 of the charter of the United Nations. The proposal as reported suggests that the Soviet union would be prepared to support the financing of a permanent peace keeping force under the auspices of the United Nations; but that there is no indication, in anything which has yet been made public, that the Soviet union is prepared to meet the financial obligations which the international court of justice says are due from the Soviet union in respect of peace keeping operations already undertaken by the United Nations.

I can assure the right hon. gentleman that if this proposal is presented to Canada formally we shall give it very careful consideration.

Mr. Diefenbaker: Mr. Speaker, could I ask the minister whether he has any explanation of the fact that the U.S.S.R. made this suggestion to Japan rather than to one or other of the nations which have made their contribution to peace keeping operations, or particularly direct to the United Nations. Is there any explanation of this rather unusual course?

Mr. Martin (Essex East): Mr. Speaker, I do not think I can offer anything more than

conjecture. However, Japan is a country which has given indication of its interest in peace keeping and I know that my right hon. friend did not single out Japan as a country that had not done so. I can offer no explanation of the fact that Japan seems to have been the initial recipient of the proposals.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, might I ask the minister a supplementary question. In view of the extreme importance of this proposal, will the minister communicate the contents of any actual proposal which is made to the house just as soon as possible?

Mr. Martin (Essex East): Yes, sir.

CYPRUS—REPORTED SECRET LANDING OF GREEK TROOPS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Secretary of State for External Affairs whether he has received from the secretary general of the United Nations any confirmation as to how many Greek troops were landed in Cyprus, whether it is true that Cypriot police kept the United Nations forces from viewing such landings, and what course the United Nations intends to follow in view of this violation of the security council resolution.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, we have been in touch with the United Nations today. There is a difference of view as to the extent and nature of these importations. Beyond that I do not think it is now desirable to go. The course the United Nations will follow is one that cannot be stated firmly at this time because, as my hon. friend knows, meetings are now under way in Geneva under the direction of the mediator. Until these negotiations are over I do not think it would be desirable to suggest what course might be followed.

Mr. Douglas: A supplementary question, Mr. Speaker. I am somewhat at a loss as to the minister's answer with regard to the degree of importations he mentioned. I ask the minister, has it been substantiated by the United Nations that Greek forces over and above the nominal establishment which is allowed on the island of Cyprus have been landed there, and is there any confirmation of the fact that Cypriot police kept United Nations forces from viewing this landing? I wonder whether these two facts have been confirmed.

[Mr. Martin (Essex East).]

Mr. Martin (Essex East): I am sorry I did not answer the last part of the question. It is a fact that at least on one occasion at Limassol the United Nations force was restrained from carrying out its tasks under the security council resolution. There should be no confusion with regard to my observation concerning the extent of importations. I can only say that there is a difference of view as to the extent of infiltrations.

Mr. Douglas: A further supplementary question, Mr. Speaker. May I ask the minister whether it is not becoming increasingly apparent that, to use the language of the street, the United Nations is being played for a sucker by the government of Cyprus with reference to the landing of Greek troops and preventing the United Nations forces from viewing what is going on, and with reference more recently to the speeches of General Grivas calling for enosis, which is in complete violation of the security council's resolution? I ask the minister if the Canadian government intends to make representations to the United Nations with a view to having that body make clear to the government of Cyprus that these violations of the security council resolution will leave the United Nations with no alternative than to take steps to discipline those who are violating the resolution or to withdraw the peace keeping forces from Cyprus, which were put there in the first place to protect Cyprus from an anticipated Turkish invasion.

Mr. Martin (Essex East): Mr. Speaker, the United Nations force was established by the United Nations primarily to assist in keeping the peace in Cyprus. It was not sent there for the primary purpose of preventing an invasion, but there is no doubt that the decision to establish the United Nations peace keeping force on the 13th of March did assist very considerably in making invasion from any quarter impossible or undesirable.

There is also no doubt that the operations of the United Nations force have been made more difficult by a number of the factors mentioned by the hon. member. The Canadian government, not only within the last few days but even before the NATO ministerial meeting at The Hague, has taken a firm position with regard to any action that adds to or complicates the work of the peace force. As I mentioned yesterday, there have been important negotiations this week, with one meeting going on in Geneva, another in NATO and discussions elsewhere.

I have had occasion to call in the ambassador of Greece, with whom I had a long talk yesterday, and I have made it clear, as has the secretary general of the United Nations, that these involvements that add to the task of the force are not in the interests of the United Nations peace keeping operation. I can say that, notwithstanding all these difficulties, the United Nations continues to serve a very important purpose on that troubled island.

Mr. R. N. Thompson (Red Deer): A supplementary question, Mr. Speaker; I do not want to belabour this point. We are receiving some information from the Secretary of State for External Affairs, but it seems to me that the newspapers have far more access to information than we have. I have before me four or five press headlines such as "Darkened Convoys Race Across Cyprus at Night", "Geneva Talks Opening Amid Arms Build-up", as well as a picture of General Grivas, official agent of the Greek government, being welcomed as a hero in Cyprus.

It seems to me that we need more specific information, and are deserving of having at least as much information as the press has. My specific question to the minister is, has he been in direct contact with the Greek government concerning the landing of Greek nationals in Cyprus? The other day the Greek foreign minister rebuked the minister for having made a statement about this. It seems to me we should have more information.

Mr. Martin (Essex East): In answer to my hon. friend's question may I say that all the stories that appear in the news media are not necessarily correct. I may say to the house that Cyprus is one of the most serious problems to face us in many years, certainly since the end of the second world war. In a matter of such vital importance I would not be properly discharging my responsibilities as Secretary of State for External Affairs, if I did not weigh as carefully as I can what I say in this house and the possible effect of my words in certain other countries. Our position has been made known with regard to actions taken by particular forces and by particular personalities. I can say that, as a result of the position taken by Canada and other countries, an effort is being made to bring about a solution to this problem under conditions that I hope will not cause a serious situation on the island to further develop.

It is one thing to conjecture without responsibility. But I am sure my hon. friend will appreciate that I do not give all the details, because I cannot in these circumstances discharge my obligations if I speak in anything but the most general language. As long as I hold this responsibility I propose to take this course, and I am sure that the former minister of labour, who was a minister of the crown, fully appreciates that this is correct and proper.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the minister speaks of the necessity of generality of statement, of which there is no greater exponent than he. I ask the minister whether any further investigation has been made by his department relative to the question I asked over a week ago, in which I pointed out that according to the press some 4,000 Greek troops had infiltrated into Cyprus clandestinely. Has he had occasion to communicate with the C.B.C. regarding a report from London to that effect several days ago, broadcast over the air waves by Mr. Patrick Keatley, a reputable commentator? Has he looked into that question? Furthermore, realizing that a debate cannot take place at this time, and with 1,100 Canadians on this island, will the minister allow parliament a few hours tomorrow in which to discuss this matter? Certainly this is a question upon which the house should have the fullest information. We cannot get it through questions on orders of the day, and that is understandable.

Certainly Canadians as a whole want to know what is the position of our forces there. Are they in any way in great danger through any failure taking place or any action that is occurring from time to time, in particular with reference to the Greek underground leader? This is what Canadians want to know. They do not want the minister to go into particulars, but they want more than just generalizations to the effect that last March we sent forces there and that did a great deal. We want to know what the position is on July 7. What is the position of these forces? Are they, by reason of a failure of the United Nations, in any way in jeopardy in which they ought not to be?

Mr. Martin (Essex East): Mr. Speaker, with regard to the first part of my hon. friend's question I must say that I am not in the habit of taking or accepting as final, information that comes from news correspondents abroad.

Mr. Diefenbaker: The C.B.C.?

Mr. Martin (Essex East): The C.B.C. or any source. Canada has a diplomatic mission

in Cyprus and we also have diplomatic missions in countries that have a vital interest in this matter. I may assure my hon. friend that we are relying primarily on these sources. The story to which my hon. friend directs our attention emanated from Ankara. The story was repeated over the B.B.C. and appeared in an English newspaper. We have studied the allegation and the figure mentioned. This question has been investigated by the United Nations itself. The UN authorities do not agree with the figure.

With regard to the second suggestion, I will be glad to discuss that with my colleagues. The external affairs committee will be meeting I think on Thursday, and that would also afford an opportunity. In any event, I will give consideration to the suggestion.

Mr. Diefenbaker: I want to thank the hon. gentleman for his very full statement. I simply suggest this to him, that the committee on external affairs cannot take the place of the house as a whole on a matter like this.

Hon. D. S. Harkness (Calgary North): May I ask a supplementary question. In addition to making a protest or statement in the press, did the Greek government make a protest or representations to the Canadian government or to the Canadian ambassador in Athens in regard to the statements made in the house last week, particularly the statement by the Secretary of State for External Affairs with regard to the landing of Greek troops on Cyprus? If so, what reply was given?

Mr. Martin (Essex East): We have had no report from our mission in Athens of any such protest. I may say that when the press story in question came to my attention, I at once asked the Greek ambassador to come to see me. This he did yesterday.

Mr. Douglas: The minister has said the figure of 4,000 Greek troops landing on Cyprus is considered inaccurate by the United Nations. May I ask the minister what is the United Nations estimate of the number of Greek troops landed on Cyprus?

Mr. Martin (Essex East): I am sure my hon. friend would agree that this is the kind of information which I should not be asked to give, and which I do not propose to give at this time.

Mr. W. B. Nesbitt (Oxford): May I ask the Minister of National Defence a supplementary question. In the event that the peaceful solution of this Cyprus problem suggested by the Secretary of State for External Affairs does not work out in that way, can the minister tell us the location of the aircraft carrier *Bonaventure* at the present time, and how soon it could be sent to Cyprus in the event it may prove necessary to remove our troops? We do not want another Hong Kong.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I can assure my hon. friend that the Department of National Defence has fulfilled its responsibilities in this matter in all respects, and has considered any possible eventuality that may occur there. I can also assure my hon. friend in this regard that the whereabouts of the *Bonaventure* from time to time is not a relevant factor.

Mr. Douglas: May I just ask the Secretary of State for External Affairs one final question. In view of the fact that questions on orders of the day are of necessity unsatisfactory, and the very keen interest there is in Canada in this question, will the minister take into consideration the advisability of having a two hour debate or a half day debate on this question so the people of Canada will be fully satisfied that the situation is well in hand, and so the United Nations and other countries may know something of the views of the members of the House of Commons regarding this situation in which we have a very serious stake in manpower.

Mr. Martin (Essex East): I have already indicated I will be glad to consider that.

CONGO—SAFETY OF CANADIANS FOLLOWING UN FORCE WITHDRAWAL

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State for External Affairs, and I hope in this case he will be able to be more lucid than he has been with questions over Cyprus. This question concerns Canadians in the Congo, and is further to a question I asked a week ago. Does the minister know how many Canadians there are at present in the Congo; who they are—are they missionaries or UN employees—what steps have been taken to remove them from the danger areas around Albertville, and finally, could he give us his latest word on their safety and whether they are in any danger?

Mr. Speaker: Important as the question is, surely it is one for the order paper.

[*Later:*]

Mr. R. N. Thompson (Red Deer): I have been trying to ask a question supplementary

to at least part of the question asked by the hon. member for Oxford. There is now a very dangerous situation existing in Bujumbura, the capital of Burundi, where a civil war is taking place. There are a number of Canadians there, both independently and associated with the United Nations. Does the minister have any word for us about the safety of those people?

Mr. Martin (Essex East): I was about to reply to the question when Mr. Speaker ruled it was a matter for the order paper. There are several people concerning whom inquiries have been made, and most of them have been found safe in various parts of the Congo. I know only of one individual whose name has been given to us and whose whereabouts have not yet been determined.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Joseph P. O'Keefe (St. John's East): I should like to direct a question to the Acting Prime Minister. Is the minister aware that a Newfoundlander, Miss Mary-Lou Farrell of St. John's East, recently won the title of Miss Dominion of Canada, and that she will very soon represent all of Canada in the Miss Universe international talent and beauty contest in Florida, and later the Miss World contest in London?

Hon. Paul Martin (Acting Prime Minister): I was not aware of that fact. I am sure that the house shares in the pleasure of learning it. My colleague the Minister of Transport regards Newfoundland as the heart of Canada. It is now clear that there will be many, as a result of the information just conveyed, who will believe that Newfoundland could become the heart of the universe.

LABOUR RELATIONS

NON-OPERATING RAILWAY UNIONS— UNDERTAKING RESPECTING ADDITIONAL COSTS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to ask the Minister of Transport a question which does not arise out of the peculiarly important matter that has just been dealt with so succinctly and carefully by the Secretary of State for External Affairs. I wanted to ask him about the contents of the correspondence that passed between the Prime Minister and the presidents of the railways which he so kindly made available to me.

I should like to ask him what undertaking, if any, was given by the Prime Minister to the presidents of the two railways concerning the added costs which will be assumed by them if they accept the wage increases. I do this because the letter states:

> —it is recognized that, while the resolution preceding introduction of this legislation—

That is a reference to the MacPherson royal commission.

> —is awaiting consideration by parliament, other items of parliamentary business must be dealt with first.

This statement is in the Prime Minister's letter. Later on he says:

> —so that the government would be afforded an opportunity to decide what additional temporary financial adjustments would be justified to assist the railways during the period up to the coming into effect of the proposed new railway legislation.

Has there been any undertaking, direct or indirect, that all or any part of the additional $57 million over a period of two years, I think, is going to be paid by the Canadian people? Was that conducive in any way to the attitude of the railways in agreeing to the majority report?

Hon. J. W. Pickersgill (Minister of Transport): No undertaking was given to the presidents of the railways beyond that set out in the letter addressed to the presidents by the Prime Minister on June 30, of which I have tabled a copy which is to appear as an appendix to *Hansard* today.

Mr. Diefenbaker: Whatever course the railways take will depend upon their interpretation of the hopefulness expressed by the Prime Minister in that letter?

Mr. Pickersgill: I only speak for the government; the railways speak for themselves.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I have a supplementary question. I should like to ask the Minister of Transport whether additional grants will be given to the Canadian National Railways until the new legislation is considered by parliament and the standing committee on railways?

[*Text*]

Mr. Pickersgill: Well, Mr. Speaker, that is a hypothetical question but I think the hon. gentleman, as an old and experienced parliamentarian, knows the government cannot pay money to the railways that is not voted by parliament.

[*Translation*]

Mr. Grégoire: A further supplementary question, Mr. Speaker. I should like to put the same question to the Minister of Transport but this time I would like to have a reply and to be told whether the government intends to increase the railway subsidy without the matter having been discussed by parliament as it is being done with respect to the $50 million which are paid to the railways even though they have not been passed?

[*Text*]

Mr. Pickersgill: Mr. Speaker, I think it is quite apparent that no moneys can be paid by the government, for any purpose, that have not been voted by parliament.

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I should like to ask the minister whether any commitment has been made to the Canadian truckers' association in regard to this subsidy, and whether he has told the association that it will not be on after September this year.

Mr. Pickersgill: No, sir, no undertaking of any kind has been given to the Canadian truckers' association. The president of that association met my hon. friend the Acting Prime Minister and myself this morning. We listened to their representations, and beyond assuring them that the present and proposed payments, which incidentally have been made to the railways for several years, were of a temporary character until such time as the MacPherson legislation might be passed and come into operation, no commitment of any kind was made to them; and it was explained to them that we could not make any statement to them before we made a statement to parliament.

POWER

PASSAMAQUODDY—POSTPONEMENT OF CONSIDERATION BY U.S.

On the orders of the day:

Hon. H. J. Flemming (Victoria-Carleton): Mr. Speaker, my question is for the Acting Prime Minister and is based upon a press dispatch of this morning reporting that consideration of the Passamaquoddy project in the United States senate has been postponed until 1965. Has the Acting Prime Minister any additional information to give the house in connection with this matter?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I have seen the report to which my hon. friend draws my attention. Of course this does not concern the Canadian government directly. There was an exploratory talk with representatives of the United States with regard to the United States position on this project. Beyond that there is nothing further to report at the present time.

BUSINESS OF THE HOUSE

INQUIRY AS TO CONSIDERATION OF MAIN ESTIMATES

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Justice in his capacity as house leader. Inasmuch as the house is now more sensibly launched on a legislative program, could the minister inform the house when we might return to the consideration of main estimates?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, there is to be a meeting of the house leaders tonight—at least I am attempting to call one—and I think I will be in a position to be more precise about the answer to this question tomorrow.

TRADE

BEEF—STEPS TO INCREASE EXPORTS TO GREAT BRITAIN

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, may I direct a question to the Minister of Trade and Commerce. In view of the beef shortage in the United Kingdom, where I understand the price is $2 per pound for choice cuts as compared with the Canadian price of 79 cents per pound, and in view of the United States attempt to break into this market, will the minister inform the house what attempt Canada has made to capture any part of this market, and will he give the details?

Mr. Speaker: Would the hon. member put this on the order paper.

Mr. McIntosh: I would like to discuss it at ten o'clock.

SOCIAL ASSISTANCE

SASKATCHEWAN—PROPOSED REQUIREMENT THAT RECIPIENTS WORK FOR AID GIVEN

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I would like to direct a question to the Minister of National Health and Welfare. Would she inform the house whether she has

received any communication from the minister of welfare in Saskatchewan, and whether she answered that communication, concerning jobs for those on social welfare?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I have a recollection that I did receive such a communication last week, but I am not certain whether it has been answered. I shall be glad to look it up and advise my hon. friend.

Mr. Hamilton: As a supplementary question, Mr. Speaker, would the minister take immediate action on this matter; because the press in the west is full of complaints that no answer has been given by the federal government on this matter which is of political interest in Saskatchewan.

Miss LaMarsh: No doubt my hon. friend and the house know that this matter has been discussed over the years and that the position heretofore taken, as a result of the meeting of advisers from all the provinces, was that work for relief as such, as the phrase is generally understood, was not a matter which received the sympathy of the federal government. I am not certain whether the correspondence may indicate what type of scheme it is that the present government in Saskatchewan has in mind, but I shall be pleased to look up this correspondence and inform the house later.

[*Later:*]

Miss LaMarsh: Mr. Speaker, a few moments ago the hon. member for Qu'Appelle, who I am sorry is not still in the chamber, asked me a question with respect to correspondence with the province of Saskatchewan with regard to work for relief. I have just had brought to my attention that the recent correspondence of the department has not been on that subject. In fact there has been no correspondence on this subject.

CRIMINAL CODE

INQUIRY AS TO AMENDMENTS RESPECTING HORSE RACE BETTING

On the orders of the day:

[*Translation*]

Hon. Théogène Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Is the minister considering amending the Criminal Code in order to legalize the situation regarding pari mutuel at horse races?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, that is a matter of government policy which will be announced in the normal course of the session.

[*Text*]

TRANSPORT

NORTHERN TRANSPORTATION CO.—ORDER FOR NEW SHIP

On the orders of the day:

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Does Northern Transportation Company now have on order, or under construction, a ship designed to do the job for which they purchased their L.S.M., or for a similar type of operation?

Mr. Speaker: This, it seems to me, is a good question for the order paper.

URANIUM

REQUEST FOR RECONSIDERATION OF STOCKPILING PROGRAM

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I would like to direct a question to the Minister of Industry. In view of the statement by Mr. Gilchrist, president of Eldorado, which appeared in last night's issue of the Ottawa *Journal*, that the experts in the uranium industry had not been optimistic enough in their forecasts of future demands for this fuel, would the minister and the government reconsider their decision to close down the uranium mines and end the stockpiling program?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I have not seen the statement referred to and I am not aware of it, but I will undertake to have a look at it and see what can be done.

BANCROFT, ONT.—NEGOTIATIONS BY FRENCH COMPANY FOR MINERAL RIGHTS

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): On June 30 the hon. member for Hastings-Frontenac asked me whether I was aware that the Mokta company of Paris, France, is now negotiating in the Bancroft area for the purchase of the mineral rights to properties with uranium deposits. I can inform the hon. member that both the government department and the government agency directly concerned are aware of these negotiations and all possible assistance will be provided. We are now awaiting a written

request which will describe in exact terms the information and aid required.

May I also, with your permission, Mr. Speaker, refer to the question which was asked today by the same hon. member? He asked my colleague the Minister of Industry about a statement made by Mr. Gilchrist. I can tell him that when the decision was made with regard to stockpiling, the views of Mr. Gilchrist were well known.

Mr. R. A. Webb (Hastings-Frontenac): I should like to thank the Minister of Trade and Commerce for his answer to my question. Does he not agree that these companies from other countries, are apparently showing more foresight than this government in now coming into Canada and buying up properties and rights to this precious mineral which, according to Mr. Gilchrist, is going to be in demand very soon?

Mr. Sharp: No, Mr. Speaker.

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL— REMOVAL OF TOLLS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put an urgent question to the Minister of Transport.

Since we abolished the tolls on Jacques Cartier and Victoria bridges while we were in office, I would like to ask the minister if the same thing will soon be done for the Champlain bridge.

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): Notwithstanding the urgency attached by the hon. member to the question, it concerns an area at least 50 miles from his constituency, and I think I will have to take it as notice.

ROYAL CANADIAN MOUNTED POLICE

REPORTED INVESTIGATION RESPECTING HANDLING OF FUNDS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): I wish to direct a question to the Minister of Justice. Has a report been received on this matter of misappropriation of funds by R.C.M.P. personnel, and will the minister give details to the house as he promised in order to clear up the misunderstanding and unfortunate criticism?

Hon. Guy Favreau (Minister of Justice): I am not in a position to report to the house as yet.

Mr. Bell: Does the minister not think this matter should be accelerated, and that an indication should be given as to when the report will be made available to the house?

Mr. Favreau: I do not think it is within the propriety of my function to intervene in the disposition of disciplinary matters within the R.C.M.P., at a time when the independence of the R.C.M.P. in these matters ought to be fully respected.

Mr. Bell: Do I take it from the minister's reply that there is an admission that serious matters are under investigation?

Mr. Speaker: Order, please. Surely there has been a full investigation.

FINANCE

POSSIBLE CONFLICT OF INTEREST RESPECTING BANK CHARTER APPLICATIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question either to the Acting Prime Minister or to the Minister of Finance. My question is asked in the light of an article by Bruce Macdonald respecting a conflict of interest, which appeared in this morning's *Globe and Mail.* Did a cabinet minister suggest to Liberal senators that they get on with the business of chartering certain banks, applications for which are before the other place, before a suspicion grows in the public mind that those charters are being delayed because of a conflict of interest on the part of certain members of the other place? If so, did such a cabinet minister make the suggestion on behalf of the cabinet.

Hon. Walter L. Gordon (Minister of Finance): Not to my knowledge. I certainly made no such statement myself.

Mr. Knowles: Has the Minister of Finance received any protest from business, banking or other interests with regard to this alleged conflict of interest?

Mr. Gordon: I think—I am sorry, Mr. Speaker; I began to answer a question which the hon. gentleman did not ask. I have received a complaint that this matter ought to

be speeded up, but it was an unofficial complaint. As to the question the hon. member asked, the answer is no.

Mr. Knowles: A supplementary question, Mr. Speaker. Would the Minister of Finance mind answering the question I did not ask? That answer might be more helpful.

An hon. Member: Ask it now.

AGRICULTURE

SASKATCHEWAN—REPORTED CRITICAL SITUATION RESPECTING LIVESTOCK

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Some days ago I directed a question to the Minister of Agriculture regarding the critical situation faced by livestock in the northern areas of Saskatchewan. Have any steps been taken to alleviate the situation, and would the Acting Prime Minister have any reply to make to this question of mine?

Hon. Paul Martin (Acting Prime Minister): As I informed the house yesterday, the Minister of Agriculture is today conferring in Regina with representatives of the government of the province of Saskatchewan, and this is one matter which undoubtedly is under discussion.

EDUCATION

LOANS TO STUDENTS—INQUIRY AS TO RESOLUTION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker may I direct a question to the Acting Prime Minister. Is the hon. gentleman ready to make the statement which he said yesterday he would be making today regarding the placing on the order paper of the resolution preceding the student loans legislation?

Hon. Paul Martin (Acting Prime Minister): I hope it will be possible to do that by the end of the week, perhaps by Friday.

Mr. Knowles: A supplementary question, Mr. Speaker. Would the Acting Prime Minister be a little more lucid in his answer? Did he mean the resolution would be on the order paper by the end of the week or just that there would be a statement on the matter by the end of the week?

Mr. Martin (Essex East): If there is any difficulty in this case, the lack of lucidity must be on the part of the hon. gentleman, because he asked me about the resolution. I hope the resolution will be on the order paper by about Friday of this week.

HEALTH AND WELFARE

PROVINCIAL REPLIES RESPECTING CONFERENCE ON ROYAL COMMISSION REPORT

On the orders of the day:

Hon. Paul Martin (Acting Prime Minister): Yesterday the hon. member for Winnipeg North Centre asked a question about the number of provincial premiers who have replied to the Prime Minister's letter of June 26. The premiers of Alberta, Nova Scotia and British Columbia have done so.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Yesterday, as on previous occasions, I tried to get some information about the 40 acres of the Kitsilano Indian reserve at Vancouver, part of which the C.B.C. has been endeavouring to acquire. I now direct my remarks to the Minister of Northern Affairs and National Resources. Has he, within the last couple of days, made any suggestions to the mayor or other officials of Vancouver regarding a suggested settlement whereby 20 acres would be maintained as parkland providing the C.B.C. received the balance.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I thought yesterday it might be just as well if we started getting some news from home in respect of this property instead of so much from abroad. At one point it was my intention to intervene.

This property is a former Indian reserve purchased by the federal government of Canada. A large sum of money was paid to the Indians for its acquisition. It is the property of the federal government. It was used by the R.C.A.F. during the war and since, and has become surplus to their requirements at the present time. The C.B.C. indicated that it was interested in some of the property, namely five buildings in all. These are splendid concrete buildings of considerable value, and are estimated by our Department of Public Works to have an earning capacity of $200,000 annually; so they are substantial buildings.

The property has now been declared surplus, and reference was made first to the government of the province of British Columbia as to their probable requirements. I think they indicated that they had no desire to use any of the property. Then the matter was taken up with the city, and the city is interested in it, particularly the parks board of the city of Vancouver. In recent years a portion of the area was given to parks use by the city and it is the desire of the parks board—and, I think, of many of the people of Vancouver, too—to extend the park area there.

I was not present on the occasion of the visit of Mr. Ouimet to city council, though my colleague the Postmaster General was. I think Mr. Ouimet outlined to council the requirements of the C.B.C. in respect of five buildings and a requisite amount of land to be used for parking purposes. I have suggested since that it would be highly advisable for the C.B.C. to make a formal request for their requirements and the property they need. My colleague the Secretary of State is in agreement with this, and I understand that some time very soon the C.B.C. will be making that official request.

I have suggested that I would be prepared to assist in the allocation of the remainder of the property, not to the parks board of Vancouver, because we manifestly cannot deal with them, but to the city of Vancouver. I would suggest this could probably be done over an extended lease, and if it is their desire to have it used for parks purposes of course the city of Vancouver could negotiate with the parks board. However, I think the first requirement is to withdraw from the total property the requirements of the C.B.C., and we expect this will be done by way of a formal request in a matter of days.

Mr. Diefenbaker: Is it not a fact that there is strong objection to the C.B.C. having any portion of this property in Vancouver, particularly on the part of the parks board?

Mr. Laing: I must say, Mr. Speaker, that there was an objection, which I think was quite considerable, in the city of Vancouver to the C.B.C. going on the property. However, since a number of explanations have been made in respect to the proportion of the entire property and the buildings required by the C.B.C., the financial position of the C.B.C. in Vancouver as compared with going into a downtown property, and the limitation put by the C.B.C. on its requirements there, I am quite certain that I can assure my right hon. friend that opinion within the city has changed markedly.

While the members of the parks board would prefer to take all the property and return it into parks, I must say that the right hon. gentleman, if he knew the buildings, would agree with me—

Mr. Diefenbaker: I know the buildings.

Mr. Laing: —that we cannot demolish those buildings, because they are extremely valuable buildings. The parks board might have uses for the buildings, but I would question whether they have uses for them in their entirety. They might put the buildings to some use. We think we can accommodate, to the extent of the majority opinion in Vancouver, the desires of both bodies.

Mr. Diefenbaker: Is it not a fact that the C.B.C. intends to demolish these buildings if they get the property?

Mr. Laing: Oh, no, not at all; not under any circumstances. It is the full intention of the C.B.C. to use these extremely valuable properties, and for a very extended period of time. As a matter of fact they have informed the council of Vancouver that they would like to be safely lodged there for a period of not less than 30 years; that is, in these concrete buildings. They are permanent type buildings able to carry two extra stories. This is the nub of the question. I think we simply cannot, in all conscience, have these extremely valuable buildings demolished. There are seven in all, and they desire five for their use.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, if the requirements of the C.B.C. were met, how much of the 40 acres would be left available to the parks board of Vancouver for parkland?

Hon. J. R. Nicholson (Postmaster General): Approximately 15 acres.

NATIONAL DEFENCE ACT

AMENDMENTS RESPECTING REPLACEMENT OF CHIEFS OF STAFF COMMITTEE

The house resumed, from Monday, July 6, consideration of the motion of Mr. Hellyer for the third reading of Bill No. C-90, to amend the National Defence Act.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion?

Mr. Churchill: On division.

Motion agreed to on division and bill read the third time and passed.

YOUTH ALLOWANCES

PROVISION FOR PAYMENT BETWEEN AGES OF 16 AND 18

Hon. Judy V. LaMarsh (Minister of National Health and Welfare) moved the second reading of Bill No. C-108, to provide for the payment of youth allowances.

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, before this bill is given second reading I think we should have a fuller explanation than we have had so far. If it is not the minister's intention to speak at this time, I would certainly like to say something about it. We had considerable discussion on April 28 with regard to this matter of allowances to teen-agers between the ages of 15 and 18; in other words, those of 16 and 17 years of age. The discussion arose on that occasion over the changes in the Income Tax Act in anticipation of this legislation being passed.

The suggestion was made at that time by myself and others in this house that a simpler way of providing this assistance to the parents of Canada would be through an amendment to the Family Allowances Act extending family allowances to the age of 18 years. I still feel this suggestion should be given consideration before we go on with this bill. Therefore it seems to me this bill should be withdrawn and the government should take the other method of providing this assistance to parents of teen-agers attending school, namely by simply raising the age limit under the Family Allowances Act.

This becomes part of a larger question in Canada today, and is bound up with the efforts on the part of all Canadians to satisfy as far as they possibly can the special aspirations of the people of the province of Quebec. This was admitted by the Minister of Finance on April 28, when he was questioned about the feasibility of granting this special assistance to parents through raising the age limit under the Family Allowances Act. The Minister of Finance said this, as reported at page 2693 of *Hansard*:

> Theoretically, I suppose, if the federal government wanted to extend the present family allowance arrangements up to the age of 18 they could do so and this would apply everywhere in Canada, including Quebec; and the government of Quebec could in that event do one of two things: It could either continue to pay its present education grants, which would mean there would be roughly twice as much paid in the province of Quebec in respect to children aged 16 and 17 as would be paid elsewhere in Canada, or alternatively, it could say: The federal government is now paying these sums; we shall stop our payments. Either of these decisions would be perfectly logical, I suggest. However, the government of the province of Quebec says: We have been in this field for three or four years; we are doing it in a way which seems to us reasonable; a way which seems acceptable to our people, one which is well established; and we want to go on doing it that way; we would prefer it if you would pay to us the equivalent of what would have been paid by the federal government net, after income tax and so on, and if it were paid directly in respect of the children.
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> Anyone could argue whether or not this was a good way of doing it. As I say, the federal government could charge right ahead, ignore the fact that this is an established program in Quebec and insist on paying the amounts directly to the mothers despite the fact that the government of the province does not want this done. Or the government of Canada could say: We recognize the fact that you have been in this field for three or four years. We are not going to pay any more than the citizens of Quebec would have got under our new scheme, but instead of paying them double and embarrassing everybody we shall pay the net equivalent to the government of Quebec. And this is what will be proposed when the legislation is presented in this house.

I should like to commend the Minister of Finance for a straightforward statement of that kind; it brings the matter quite clearly into focus. But as he pointed out, anyone can argue whether or not this is the right way of doing it. As far as I am concerned, speaking on behalf of the people in the constituency of Middlesex West, I think this is not the best way of doing it. It is not the best way of doing it because of our efforts to hold this land of ours together in unity and happiness. When actions are taken by the federal government which tend in any way to divide the people of this country I think it is a mistake, and I think this legislation as proposed by the government in relation to youth allowances has this effect of dividing rather than unifying Canada.

Let us just look for a moment, Mr. Speaker, at the various clauses and provisions of Bill No. C-108. Starting with clause 2 (c), we see that young people are placed on the same basis as children under the Family Allowances Act. Clause 2 (c) (ii) says that a "dependant youth" is a person who has reached the age of 16 but is not yet 18 years of age, and—

> —is, by reason of any mental or physical infirmity, precluded from attending or attending on a full-time basis at a school or university;

Under the Family Allowances Act parents cannot collect family allowances unless their children are attending school. To put it in simple language, under the Family Allowances Act all children able to attend school should be at school. If those who are able to attend school are not at school, then their

parents are not entitled to family allowances on their behalf. Clause 2 (f) defines "parent" in this way:

"parent" means a person resident in a province other than a province providing schooling allowances who maintains a dependant youth, but does not include an institution as defined by the regulations;

In other words, the reference in this clause to a parent resident in a province other than a province providing schooling allowances means that the province concerned is the province of Quebec. Therefore these allowances cannot under this legislation be paid to parents residing in Quebec. Then clause 3 says:

Subject to this act, there may be paid out of the consolidated revenue fund to a parent, in respect of a dependant youth maintained by such parent other than a dependant youth in respect of whom an allowance is payable under any law described in paragraph (h) of section 2, a monthly allowance of ten dollars.

Again we come to the idea that parents in Quebec are exempted under this legislation. These youth allowances as provided in the act cannot be paid to parents in the province of Quebec.

Although there may be some in the house who can find justification for this, I suggest that this is wrong in principle. We are treating parents in different parts of Canada differently, and I think they should all be treated alike. Therefore I submit that the government should withdraw this legislation and this assistance to the parents of children who are going to school—our teen-agers—although I admit that this legislation will otherwise be very worthy legislation for the house to pass. I am quite willing to support the government in bringing assistance to parents of 16 and 17 year old students, but this should be done through the Family Allowances Act so that all parents across the country from coast to coast, as well as their children, would be treated alike.

I am hoping that the government can see its way clear to withdraw this measure and extend family allowances. While I favour granting assistance to parents of 16 and 17 year old children, I believe it can be done in a better way through an amendment to the Family Allowances Act. I feel I should oppose this legislation in view of the fact that there is a better alternative.

Mr. Monteith: On a point of order, Mr. Speaker, I think the minister was going to make some opening remarks. As she moved the motion you may consider that she has spoken, but if she does have opening remarks I suggest that the house give permission for her to speak now without closing the debate.

The Acting Speaker (Mr. Batten): Does the minister wish to make any opening remarks at this time? It is understood that the minister is not closing the debate on second reading.

Mr. Monteith: That is my point.

Mr. Knowles: That is right.

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I am sorry that the hon. member for Middlesex West, in his desire to get his remarks on the record, did not give me the opportunity to first set out the position of the government with respect to the bill. Indeed, if he had waited until he had heard the position of the government it might have changed his mind and led him not to exhaust himself on this warm afternoon.

The bill now before the house is not, as the house is well aware, an extension of the Family Allowances Act, which method of procedure was considered and for reasons which will be explained later was not followed, but is called a youth allowances bill. It is expected that hon. members will find this a more efficient way of doing what all hon. members have indicated they are desirous of doing.

Bill No. C-108, Mr. Speaker, represents a significant step forward, it is believed, in encouraging our young people to make the most of their educational opportunities. As hon. members are aware, the family allowances program, which has been in operation since 1945, provides assistance to parents of children under 16 years of age. In the 19 years since that program started the federal government has paid out more than $6½ billion toward the care, maintenance, education and advancement of these younger Canadians.

But now it is felt that it is time to move forward again. It has been felt for some time that 16 and 17 year olds should also be given incentives to continue their training and education to equip them better for employment in the modern world. That, stated very briefly, is the purpose and objective of the proposed legislation.

The extra $10 a month proposed in the bill is designed to help meet the higher costs of looking after children in this particular age group. It does not, of course, begin to provide full maintenance or assistance for such children, and no one would ever suggest that it would do so. It is, however, meant to provide

an incentive to parents to persuade their children of the value of pursuing their education as far as they possibly can.

The government feels that it is money well spent to ensure that the country has an uninterrupted flow of young people coming into the labour force with the highest possible educational qualifications to meet the ever heightening demands of modern society. It represents one more advance in our continuing battle against unemployment. What is proposed in the bill is the provision of an allowance of $10 a month for the full 12 months of each year provided, of course, the youth, as defined in the bill, remains in school. Hon. members will note that in addition the government wishes to render assistance to parents of children who, by reason of a physical or mental impairment, are unable to attend school. This allowance will serve to partly close the gap for such children who, as all hon. members know, may not qualify for disability allowances until they reach the age of 18 years.

As has been pointed out, the province of Quebec has for some time had a schooling allowance program similar to the youth allowances set out in the bill. However, the Quebec provincial law provides only for a $10 allowance for each of 10 months of the year. Nor does that legislation provide for disabled children not at school. We are informed, however, that the government of the province of Quebec plan to introduce amendments which will bring their provincial program of assistance to students into line with the proposed federal program, so there will be equality in all ten provinces.

Because the province of Quebec already has its own similar program, arrangements will be made whereby instead of paying these allowances in that province, as has already been noted by the hon. member, a financial equivalent will be provided in order that the wider benefits of this bill will be available to children of the province of Quebec. All hon. members will notice that the equivalent provisions are not contained in the bill, but I am sure they will have already noted that they are contained in a resolution appearing as order No. 61 on the order paper, which deals with fiscal arrangements with the provinces.

Apart from the province of Quebec, Mr. Speaker, it is estimated that there are now in Canada some 502,000 persons in the age group 16 to 18, of whom some 350,000 are attending school. It is hoped that the incentive provided by the allowances may prove sufficiently attractive to bring many other children back to school or otherwise cause them to pursue job or career training. Only experience will tell us how many additional children will benefit from this program, but the government hopes that large numbers will do so. Sometimes even this modest amount of assistance is enough to make the whole difference between children leaving school too early and staying on for further training.

Assuming that 375,000 children will participate initially, it is estimated that the cost to the federal government for the remaining seven months of the present year will be in excess of $27 million. This will not, of course, include the additional amount for the province of Quebec, which will be based on the number of children in that province for whom comparable provision has been made.

I should also point out, Mr. Speaker, that an important feature of this program will be to provide comparable assistance to parents who are unfortunate enough to have children in this age group who, by reason of mental or physical infirmity, are precluded from attending school or university. There are in Canada some 25,000 children aged 16 and 17 who are mentally or physically afflicted, or both. Fortunately most of them are not so disabled as to be unable to pursue their education, and they are continuing to do so.

It is estimated, none the less, that of these 25,000 children there may be 4,000 or perhaps 5,000 who will benefit from the allowance as their infirmity is such to rule out their attendance at school. The government feels it would be unfair to provide assistance to parents with children in a position to enjoy the advantages of advanced schooling and deny it to those whose children are, for physical or mental reasons, unable to do so.

As I also mentioned, this allowance will help bridge the gap to care for youngsters who are in receipt of family allowances to the age of 16 and who, under present circumstances, are unable to qualify for any further allowance until they have reached the age of 18 when they may qualify under the Disabled Persons Allowance Act.

Therefore, Mr. Speaker, the object of the program is to assist Canadian parents with children in the age group specified if those children are furthering their educational opportunities, as well as those who by reason of infirmity are unable to do so.

Apart from the relatively few children who are precluded from attending school, we do not propose to assist parents in supporting children who do not go to school. In other

words, Mr. Speaker, the legislation will not provide for assistance to parents of children who do not go to school for whatever personal reasons they may have. I should perhaps point out that the educational requirements of the provinces do not require any child to attend school beyond the age of 16. Some of the provinces provide even a lower age at which children may discontinue compulsory schooling. Across the land schooling is compulsory to the ages of 14, 15 or 16. It is my understanding that in British Columbia the age at which a child may leave school is 15; in Alberta it is 15; in Saskatchewan, 15; in Manitoba it is 14 and 16 depending on certain conditions which must be decided by the locality municipality; in Ontario, 16; in New Brunswick, 16; in Nova Scotia it is 14 in rural areas and 16 in urban areas; in Prince Edward Island, 15; and in Newfoundland, 15.

We feel, therefore, the program should act as an incentive to children to pursue their educational opportunities even though they are not legally required to do so by provincial laws. As was stated by my colleague the Minister of Finance in his budget speech of March 16 last, the government believes that the expenditure involved will be an important investment in raising the level of skills and ability of our labour force, and thus will improve the growth and development of our economy. This measure is one we can afford this year. It will help young Canadians to fit themselves for better jobs.

We are hopeful, Mr. Speaker, that the allowances can become effective with the beginning of the next school year in September. It will be necessary, of course, to forward application forms to parents throughout the summer. Hon. members will realize this is not an automatic payment, but there must be an application to have the children qualify under the act. We are prepared to send out these application forms and set the machinery in motion as soon as parliament will have approved the legislation. Since all hon. members have heretofore indicated their approval in principle, it is hoped that there remains ample time for a thorough discussion of the details of the bill. I therefore respectfully move the adoption of this bill to provide additional allowances for young children.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we have urged for some considerable time that a measure such as is now before us, in one form or another, should be presented to parliament. Therefore we welcome this legislation, and we hope it will not take very long for parliament to deal with it so the application forms might be sent out, and so the payments to be made under this legislation to the parents of 16 and 17 year old children might be in their hands commencing in September of this year.

All of us in the house agreed readily to the proposal that there be no debate at the resolution stage of this measure. I think there is also a general disposition today to proceed as expeditiously as we can with this stage of this legislation. As I say, we have been asking for it ourselves for a long time, and we support the measure now that it has been placed before us.

However, one or two issues do arise. One of them has already been stated by the hon. member for Middlesex West. He has stated his opposition to this measure for the reasons that he holds. He has stated that opposition quite clearly. I must say that I do not agree with the criticism he has made of the form in which this legislation is presented to us. I know, Mr. Speaker, it would be very nice, neat and tidy if all legislation in this country could be drafted in such a way, for all time, that it would be uniform in its application across Canada. But that is not the Canada in which we live.

The hon. member for Middlesex West said we should extend our efforts to hold this land together in unity. I agree with him. However, this does not necessarily mean that we achieve unity by establishing some rigid mould which we insist must be applied across the country. It sems to me we have to take cognizance of the different approaches, the different scales of values that there are in the various parts of our country. It seems to me that this legislation does that. The fact is, and I have had occasion to say this with regard to other pieces of legislation, that the people of Quebec value their autonomy in a very special way. Equally it is a fact that the Canadians of the other nine provinces place a special value on the benefits of confederation, place a special value on what comes from the central government. Although it may be a lot more difficult to work things out in the light of these two facts, I think if we are going to be realistic, if we are going to hold this land together in unity, we have to accept these two facts.

What I see in this legislation is an effort to meet these facts; an effort to recognize that Canadians in nine of our provinces like receiving payments such as these from the central government, but that it is also a fact that the Canadians in one province

like to feel they are getting them through their own provincial government. I see nothing wrong in accommodating this legislation to the facts of Canadian life. I think we are going to have to do more of this kind of thing. If we do it carefully, if we do it with a realization of the values of our people in the various parts of the country, I think instead of causing a division in Canada it could help strengthen that unity that we value so greatly.

I do not criticize the hon. member for Middlesex West for raising the point he did this afternoon. I think it is well that this point should be raised, that criticism such as he made should be stated quite clearly. I think it is a good idea also for all of us to look at the issue clearly and realize the kind of pattern we are going to have to develop if we are to hold this land together in unity. I suggest if we start developing a pattern whereby we do achieve a situation that recognizes for the people of nine provinces their emphasis upon the values of confederation, their desire to receive things from the central government, and recognizes the desire of the people in the other province for the autonomy that means so much to them, instead of causing disunity it could actually bring about unity.

I suspect it has taken a great deal of soul-searching, a great deal of negotiating, a great deal of very difficult drafting to come forward with this legislation in this form. It occurs to me that a good job has been done. We do not have the kind of reservations about it that were expressed by the hon. member for Middlesex West (Mr. Thomas). We shall support the bill.

I am also glad, having in mind the suggestion that it is good to say things openly, that it has been said quite clearly by the minister that this legislation in the main has as its aim inducing parents to persuade their 16 and 17 year old children to stay in school. I am glad she made it clear that it does have an educational motive at its base. This is something we are sometimes reluctant to talk about in public because of the fact that education in itself is an exclusive provincial responsibility under the British North America Act.

In many respects we have already gone into this field. We have devised vocational education grants, university grants, and Canada Council grants in ways that use federal money to assist in raising the level of education in Canada without interfering with the provincial responsibility for education as such. I think we should go on doing that kind of thing. That is precisely one of the things this piece of legislation does. It helps to raise the level of education by encouraging more parents to encourage their children to stay in school, yet it does not interfere in any way, shape or form with provincial control over education as such. Therefore I am glad that the legislation in its drafting is geared to the educational question, and I am glad the minister stated that quite clearly in her speech this afternoon.

I note with interest that the legislation has been drafted so that it is possible for a 16 or 17 year old to draw the allowance for the full 12 months provided he is in school up until April, and again in school by October. I also notice the inducements that some of the details seem to provide to encourage a student to continue in school for a second year. All told, the people who have done this drafting have wrestled with a difficult problem and have come up with a very satisfactory answer.

We in common with members in all parties in the house, have for a long time been looking for family allowances, or youth allowances, to be extended to keep children in school when they are 16 and 17 years old. We are only sorry it has taken so long, but now that the legislation is before us we support it, and we hope it can get through all its stages in this day's sitting.

Hon. Walter L. Gordon (Minister of Finance): If the house will allow me to reply to what was said by the hon. member for Middlesex West (Mr. Thomas) perhaps I could clear up one or two misunderstandings. It has been suggested that there will be differences in the payments in different parts of the country, and this is one of the things that has been cleared up.

Hon. members will recall that when the proposal to extend youth allowances to the 16 and 17 year old age group was first considered we were confronted with four complicating factors. These were some of the things we had in mind at the time the income tax resolution was being debated in the house, when I made the remarks quoted by the hon. member.

Those complicating factors were, first, that in one province, the province of Quebec, that province had been paying school allowances to the parents of 16 and 17 year olds for some years. Second, these payments in the province of Quebec were at the rate of $10 per month for ten months of the year only.

The proposed payments by the federal government were to be at the rate of $10 per month for 12 months. Third, under the Quebec plan payments were not made on account of disabled children age 16 and 17. Under the federal plan it was proposed that the payments would apply both to children who remain in school and to those who are unable to do so because of disability.

Fourth, the personal exemptions under the federal Income Tax Act are reduced from $550 to $300 per annum in the case of children whose parents are entitled to benefits under the Family Allowances Act, but this differential is not applied in the case of 16 and 17 year olds entitled to school allowances in the province of Quebec.

Those were four complicating factors, and because of them it was originally proposed to pay to the government of Quebec an annual sum equal to the net amount which parents of children in Quebec would have received if the payments to them were made by the federal government direct, less the additional amounts of income taxes they would pay because of the reduction in the exemption from $550 to $300 per annum. In addition, some adjustment would be necessary due to the fact that parents in Quebec would receive $10 a month for ten months only and would not receive anything on account of disabled children.

In the course of that debate on the income tax resolution the hon. member for Middlesex West, and others, pointed out that under this formula cases could arise where the federal income tax payable by a parent living on one side of the Ottawa river, for example, would be different from the tax payable by a parent in exactly similar circumstances residing on the other side of the river. The hon. member for Burnaby-Coquitlam (Mr. Douglas) asked me questions, and as a result of his questions this became quite clear to all hon. members of the house. I may say this difficulty was pointed out by members on all sides of the house.

Since that debate in April the government has given further consideration to the best way of handling this difficult and complex situation, and in the meantime certain things have happened. In the first place the province of Quebec enacted legislation extending its $10 a month school allowance to a full 12 months. Second, Quebec has now introduced a bill which, if it is passed by the Quebec legislature, will provide that the same amounts are paid to disabled children in that province, so that as far as the payments are concerned they will be the same in all parts of Canada.

I am sure we were all very pleased about this development because I know all of us share the feeling of the hon. member for Middlesex West that it would be too bad if, in an important social measure of this kind, there were differences between the benefits in different parts of Canada. In the light of these changed circumstances it seems all the more important that people all over Canada should be treated in exactly the same way.

Accordingly it is proposed that there should be no reduction in the exemptions from $550 to $300 per annum in respect of children aged 16 and 17 whose parents receive youth allowances. There is good justification for this of course, quite apart from the desirability of having a uniform system across the country, because it costs more to keep 16 and 17 year olds at school than it does to look after dependant children of younger ages. I think most of the parents in the house would agree with me that 16 and 17 are the critical years for many young people when they decide whether to drop out of school or to continue further education.

The extra $250 of income tax exemption for their parents will place an additional emphasis on the goal which I think is shared by members of all parties in the house, which is to create conditions under which young people are more likely to stay in school longer and thus receive the training which will fit them for the kind of jobs likely to be available in the future. For this reason I think there is ample justification for adopting a different approach in the case of youth allowances for 16 and 17 year olds from that followed in the case of family allowances.

I appreciate being allowed to make this interjection at this time. It seemed important to clear up the points which had been raised by hon. members opposite and which, I had a feeling, might be raised by others if an explanation were not given.

Mr. H. A. Olson (Medicine Hat): The Social Credit party is on record since its national convention in 1961 as being in favour of extending family allowances to 16 and 17 year old children. The proposal before us this afternoon is slightly different but I do not believe it is so different as to warrant our taking any exception to it.

We are pleased to note that the bill provides for allowances to be made in the amount of $10 per month in respect of students attending school, as well as for those who are incapacitated either mentally or physically to

the extent that they are unable to attend school. We know there have been many attempts made during the past few years to improve the educational standards of the young people in Canada. Hundreds of millions of dollars have been spent on the retraining of older workers who have been displaced by automation in one form or another. We therefore feel it is essential that an effort be made to improve educational standards and that incentives should be offered in this regard. We are pleased to consider this measure as another step forward in the improvement of the educational standards of this country.

We have noted over the years with some concern that a revolution is taking place in the industrial life in this country as a result of automation. This is affecting not only young people who are entering the work force but also people who have been engaged in what they thought was a steady job for years. There is growing apprehension about the permanency of even certain occupations which have been reasonably stable for a long time. Only a few days ago a memorandum was sent to the President of the United States concerning this important matter. I am bringing it to the attention of the house this afternoon because I believe many of us have failed to appreciate the implications of this revolution brought about by automation and have done none of the thinking which needs to be done in order to change some of our basic concepts about the relationship between jobs and income. This memorandum which was sent to the President of the United States was signed by 23 eminent personalities in the United States including economists and university professors. I do not wish to spend a great deal of time on it, but I would like to draw the following to the attention of the house:

> President Johnson was asked Sunday to consider "radically new strategies to meet radically new circumstances" in the nation's economic and social life as a result of automation and technological change.
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> A 723-page memorandum called The Triple Revolution was sent to the President by a group of 26 economists, labour leaders, authors and educators who said it was prepared "out of a feeling of foreboding for the nation's future".

I intend to read just one more paragraph; I shall summarize this greatly:

> They proposed some form of paying everyone so they can buy the unbelievable quantity of goods the country can produce, even though everyone doesn't work to earn their incomes. There just won't be enough jobs to permit everyone to work, they argued.

I am not prepared at this stage to go as far as to say we can enter upon an economic order in which everyone will be paid an income whether or not they work, but I do believe we have come far enough to recognize that most of the unemployment in Canada today occurs among those with the least education—the least amount of training and skill. As long as this is the situation I think the subject before us this afternoon is an extremely important one. The memorandum to which I have referred goes on to say:

> As jobs diminish proportionate to the work force some way must be found to permit the growing population to get a fair share of the abundant economy.

The Minister of National Health and Welfare (Miss LaMarsh) has pointed out that there is at the present time a compulsory requirement that children attend school until a certain age. This is a provincial matter, of course, and in some provinces the age is 14 years. In others it is 15 years, and in two provinces I think it is as high as 16 years. In this day and age, taking into account the skills which are required in certain jobs, it is impossible for a young person to obtain by the age of 16 the skills needed to cope with the social and economic order which exists today and I suggest the provinces should consider increasing the age up to which attendance in schools is compulsorily required from 14 or 15 or 16, to perhaps 18. This would not impose any hardship on the vast majority of the children of this country because most parents, even today, although they are not required to do so, send their children to school until they are 18 or even older. I think the tremendous expenditures we undertake in this country in providing welfare, relief and unemployment benefits each year would be greatly reduced if the standards of education and training could be improved. For this reason I think the incentive provided by these youth allowances is to be welcomed. Perhaps it does not go far enough, but having said this I must add that it is perhaps as far as the federal government can go. At least it is a step in the right direction.

A few minutes ago the Minister of Finance (Mr. Gordon) said that people all over Canada should be treated in the same way. In the bill before us there are certain special exemptions or special regulations made to provide for the province of Quebec on account of the program which has been in operation in that province for the last three or four years. I agree that people all over Canada should be

treated the same way and I think this principle should apply not only to the bill before us but to other federal legislation. We know that some time ago provision was made for provincial governments to levy a provincial sales tax.

At the time I asked the Minister of Finance (Mr. Gordon) and his parliamentary secretary if there was any provision in that act to make a cash payment in lieu of sales taxes to those provinces which do not levy a retail sales tax, and the answer was no. The provinces of Alberta and Manitoba happen to be, I think, the only two provinces which do not impose this kind of levy. If the Minister of Finance is going to give effect of what he said this afternoon, certainly there should be some payment made to these provinces in lieu of a tax which they do not levy.

This is only one instance, Mr. Speaker. We also have what might be called a stubborn refusal on the part of the Department of National Health and Welfare to recognize that the province of Alberta has its rights and jurisdiction in the way it wants to run its hospitalization program. But as I said they stubbornly refuse to recognize that the way the province does it is within the rights of the province, and the province is discriminated against to the tune of millions of dollars every year because the federal authorities do not happen to like the way the province has this program set up. It happens to be one of the most advanced provincial hospitalization programs in Canada; but because they charge some small deterrent fees rather than collecting premiums or imposing a provincial sales tax to cover these hospitalization expenses, the federal government refuses to recognize this program in the payments they make. These are just two examples, and there are many more. When item No. 61, which deals with federal-provincial fiscal arrangements, is brought before this house—and I hope it is later this week—I intend to say a great deal more about this discriminatory action on the part of the federal government toward some provinces.

Mr. Knowles: It may come up later today.

Mr. Olson: I hope it does come up later today. Anyway, Mr. Speaker, I think this argument could be pursued better when that resolution is before the house. We have been told this program is going to cost $27 million, plus whatever the cash payment to the province of Quebec may be, and I think this is a small amount indeed in relation to the benefits that will be provided. In fact, I think it could be predicted at this time that the cost of the unemployment benefits that are paid both through the Unemployment Insurance Act and the many social welfare agencies will be less because of the conditions with regard to payments that are set out in this bill.

The minister pointed out that something like 502,000 people in Canada fall within this age group and at the outset she expected that about 350,000 of those are attending school and would thus be qualified to receive this benefit as soon as it becomes effective. We hope that the remaining 152,000 young people will be encouraged to re-enter school and equip themselves to cope with the social and economic conditions that they must face in Canada. As I said, Mr. Speaker, the Social Credit party endorsed a very similar type of program as much as three years ago. We are not particularly unhappy about the form in which it is brought in, although it is slightly different. For that reason we intend to support this measure.

[*Translation*]

Mr. Gérard Perron (Beauce): Mr. Speaker, I must say at the outset that for many years we advocated, in the province of Quebec, an allowance payable not only to the 16 or 17 year-olds who are attending school but throughout the school years. Our representations have probably been a powerful incentive, since the province of Quebec launched an outstanding educational program in the last few years.

The last report on school attendance indicates that, as regards undergraduate and graduate studies in 1962, there were almost 10,000 more students in Quebec than in Ontario, although Ontario's population is greater by a million people. In my opinion, that is a sign that Quebec is really on the move towards an increasingly higher education in every field as well as at the university, technical and polytechnic levels.

We are glad also to find that spokesmen for all parties have recognized that, for the past few years, the Quebec government has been paying school allowances to parents who have 16 or 17 year old children still attending school. This goes to show that, once again, Quebec has taken the lead—something we are proud of—and is headed toward an emancipation and a political and economic climate worthy of that province and as a result of which Quebec will no longer be looked upon as a poor relation within the Canadian confederation.

Mr. Speaker, at this stage of my remarks I must congratulate those who drafted the

legislation now before us, especially for having found the wording necessary to respect what the French Canadians in Quebec—who are very touchy—have always claimed: their rights in the field of education. It was finally recognized that this right was reserved exclusively to the provinces.

Indeed, a way was found to promote as much as possible education and schooling for our young people of 16 and 17, under a piece of legislation whose purpose is to bring about uniform education standards in Canada and to promote school attendance.

I hope that the two bills introduced in the Quebec legislature in order to tally with the legislation now before us were drafted to cover not only a ten-month schooling period as in the past, but the whole 12 months of the calendar year while enabling parents of physically or mentally handicapped children to take advantage of this $10 allowance.

I think there is a great similarity between the Family Allowances Act which requires school attendance and this measure stipulating school attendance up to the age of 16.

But if it was seen fit to draft this legislation differently, it is undoubtedly to recognize the principle that legislation concerning public education comes under provincial jurisdiction and constitutes provincial rights recognized and accepted within the framework of co-operative federalism which has been put forward for almost a year.

However, there is a principle that should also be acknowledged in the preparation of such pieces of legislation: that is, the one who collects should also be the one who spends, or the one who spends must be the one entitled to collect the money he is allowed to spend.

The Minister of Finance (Mr. Gordon) gave some explanations about the revision of the Income Tax Act, the benefits that the parents will receive and tax exemptions of $500 or $350. He might also consider the possibility of handing over to the provinces, as soon as possible, the fiscal rights which belong to them, as has been claimed already by the Quebec government, namely 25 per cent of personal and corporate income tax, as well as 100 per cent of estate duties.

In my opinion, the spirit of the constitution would thus be respected and, at the same time, this would fulfil the aspirations of the province of Quebec which not only wants to be a forerunner as far as certain pieces of legislation are concerned, such as school allowances for the 16 and 17 year olds, but also which wants to assume all its responsibilities, in order to enable each of its citizens to take full advantage of what the province can give them.

I hope that the Minister of Finance, once again within the concept of co-operative federalism, will be in a position with the provincial revenue ministers, to draw up his next budget so as to enable the province of Quebec to collect the necessary amounts to maintain that progress in the educational field.

[*Text*]

Hon. J. W. Monteith (Perth): Mr. Speaker, as will be remembered, all parties in the house agreed to let the resolution preceding this bill pass without discussion, which I think is indicative of our desire to proceed as rapidly as possible. I know this legislation has the anxiety of our party, and I am assuming of all parties, and we want to see the legislation passed in plenty of time so that the bill can take effect by the first of the fall term. The minister mentioned that she was hopeful that this measure would be in effect by September 1, and if there is any real criticism to be made I think possibly it is that the bill has not been before us prior to this so that the discussion could have been gone through and the mechanics proceeded with.

I should like to say that for some time I have been fully aware of the need for this endeavour to keep children in school for a longer period of time. This ties in with the technical and vocational program instituted by the former government and encourages children to stay in school longer; it also makes it possible for parents in some cases to assist them to stay there. I am quite convinced that this bill is going to require a great deal of mechanical work. I do not know how much additional staff the minister will have to have, but I can understand that to get the benefits rolling will require a great deal of work. As a consequence certainly we are going to get on with this measure as rapidly as possible.

I should like to mention, Mr. Speaker, that during the last campaign this was part of our platform, which is all the more reason for our being fully in agreement with the intent behind this measure. However, we indicated that we would prefer to see family allowances extended to 16 and 17 year olds in school.

I think there is, Mr. Speaker, some slight misunderstanding perhaps about the term "in school". Even now the parents of children up to 16 years of age do not receive family

allowances on behalf of their children if those children are able to go to school but are not attending school during the schooling months. Therefore I am heartily in accord with this bill. However, I think it should be understood that while we are bringing in youth allowances, as they are called, to cover our 16 and 17 year olds attending school, it really does not amount to anything much more than an extension of the regular family allowance, and I think that this would have been the cleanest way to provide them.

This is really an endeavour to reimburse the province of Quebec for the funds issued by them for the same purpose that this bill seeks to provide for the rest of Canada. It is a further extension of the opting-out principle. As I said earlier, we would have preferred to see a simple amendment to the Family Allowances Act which would have permitted payment of allowances to parents on behalf of children of 16 or 17 years of age still attending school and provided a uniform basis all across Canada. When we get to the clauses of the bill we will certainly have many questions to ask; but at the moment I am wondering whether, if in the future any other provinces wish to opt out, they would be permitted to do so as the bill permits Quebec to do at the moment.

I think the Minister of Finance (Mr. Gordon) assured us in his remarks, although I did not get them all down, that some of the complicating factors would be taken care of by amending legislation in the province of Quebec. Their legislation at the present time pays the allowance only during ten months of the year, whereas this federal legislation proposes that if a child is attending school the allowance will be paid for the full 12 months of the year. If I understood the minister correctly, he said that Quebec was passing legislation to adjust this and also to take care of disabled children.

When I was minister I received many beseeching letters from parents—not exactly complaints but pitiful letters—pointing out that many of them, and particularly widowed mothers, had to take their children out of school because they did not have sufficient funds to keep them in school. The child had to go out to work. I do not say that this legislation is the end-all, but it will certainly be of assistance, I am quite convinced of that.

During the debate on the budget resolutions the Minister of Finance made a statement which I would remind him was another withdrawal. As reported at page 3260, near the bottom of the last paragraph, where he was dealing with withdrawing from the tax resolution allowances to 16 and 17 year olds, he said this:

> In this way members will have before them the details of the administration of these new allowances, the arrangements for fiscal compensation for Quebec and the related income tax changes, and they may then be considered together.

This is not the situation at the moment. The minister pointed out that the resolution is number 61 on the order paper, but we do not have the legislation before us and we are operating somewhat in the dark.

There are some matters of uncertainty in the bill before us. I refer to clause 7 which mentions taxation and clause 11 (b), which has been claimed by some to be a sleeper clause. Despite these things we certainly support the bill 100 per cent and wish to see it passed as rapidly as possible, but I think these details should be explained when we get to the committee stage. I am sure the minister will answer the questions we wish to ask. Reserving that right, we certainly do not intend to delay passage of the bill. We realize the urgency and I can only say that the bill should have been before us prior to now.

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, as others have said who have participated in the debate, I do not intend to be lengthy at all. I listened to the minister explain the legislation this afternoon and point out its aims and objects to which, as is well known, we subscribe. As the hon. member for Perth (Mr. Monteith) stated, we believe that the legislation is somewhat late in being placed before the house. I had this in mind this afternoon when during the question period I asked the house leader about the main estimates because I believe that the government finds itself in an embarrassing position with regard to the legislative program.

Today we have this very important piece of legislation before us and, as has already been pointed out, it might just as well have been before us some time ago when it would have been dealt with just as expeditiously as it will be today. I think also of the student loan legislation which is not even on the order paper yet. This is extremely important legislation in relation to the educational program of the country and the same is true of the legislation now before us.

I trust you will bear with me, Mr. Speaker, if I seem a little irrelevant from time to time because it is not often that I take the floor. I hope the government will lend a

sympathetic ear to the admonition I am going to deliver. If the student loan legislation does not come before us soon I feel we are going to be lost in the usual mismanagement of the business of the house by the government and the legislation will be passed too late for students to take advantage of it this year.

In our view the bill before us now is good legislation and we know that the objects mentioned by the minister are most desirable. There is no question that in some cases the financial relief and assistance offered under the bill will do a great deal of good in reducing the number of students who drop out of school because of lack of finances, and those 16 and 17 are, of course, primarily affected. But when we go one step beyond that age group we come to the university students who, as I said a moment ago, need immediate consideration. Therefore I think the minister should have tried to induce the government to bring forward the student loan legislation before the legislation we are now considering.

It is not that I wish to complain or that we do not think this is a good measure. We have indicated to the government and to the country that we are willing to support it as we are doing today and we will see that the bill is passed probably as quickly as the government wants it passed. Before the day is over this measure will probably have been dealt with.

But it is beyond my comprehension to understand why the government has acted in the way it has in the last few weeks. Surely this would have been a better piece of legislation for the house to have been considering a week ago than what we did discuss. As was clearly pointed out last week, the people of the country are getting absolutely fed up with the discussion of the Prime Minister's flag, and this legislation is what we should have had before the house last week or two weeks ago.

When the end of this week comes and a number of legislative matters have been dealt with, I hope the government will not turn around and take advantage of the fact that these legislative matters have been dealt with after spending 6, 7, 8, 9 or 10 days on things which are of no concern. If the government had acted in a reasonable and responsible manner prior to the last discussion of interim supply we could have dealt with these legislative matters then. I know that by the end of the current week the country will be satisfied with the way we have dealt with the legislative program.

I believe there are a number of considerations involved in the legislation before us. For instance, I have before me the most recent edition of *Maclean's* magazine in which there is an article on dropouts in the school system by Hugh J. Irving. I believe it would be worth while for every hon. member to read it. The author heaps a lot of scorn on students who become dropouts. He sets out many of the reasons why dropouts occur and says that teachers, psychiatrists, politicians and others concerned make many worthless statements and do not understand the problem. This may be so but I know that so far as the people I represent are concerned this legislation will be very valuable and will serve the purpose for which it is designed. It will be of great benefit in the future.

After all, Canada is not to be compared to a totalitarian state where the government directs the course of education as it chooses. We do not believe we can fit students into particular categories or force them to obtain certain qualifications. In my humble opinion this legislation is designed to assist the student so that, first, he will have a better opportunity to become qualified and, second, so that in this advancing industrial age he will not be thrown on the labour market without some academic or other qualifications. If he is not in the academic field, then there is the technical school program developed by the former minister of labour, the hon. member for Ontario (Mr. Starr). This plan will be advanced and expanded and a number of students in the 16 and 17 year age group will be able to take advantage of it. As we move into the age of automation, these institutions will be able to take care of these students so that they will have worth-while qualifications and be able to take their rightful places in the industrial field and make their contribution to the way of life that we will enjoy in the future.

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, the government is to be commended for introducing Bill No. C-108. In extending youth allowances by two years, thousands of girls and boys will be enabled to complete high school and thus reduce the percentage of student dropouts in this country. This is the most compelling justification for the bill, as the minister pointed out earlier this afternoon in her statement.

An inevitable result will be to increase university enrolment in every Canadian prov-

ince. For this and other reasons the number of students attending institutions of higher learning is expected to double in the next ten years. To meet this problem federal authorities have a responsibility to support provincial governments in all ways consistent with our constitution. The pressing need of the immediate future will be to develop a systematic long range program for the planning and financing of university development with respect both to operating costs and capital requirements for the years ahead.

The goal of such a plan must be to enable universities in all parts of the country to discharge their responsibilities in a way that does not place any one institution at an advantage over another with respect to the payment of staff or the provision of facilities. In providing strong leadership of this kind, the federal government would make a contribution to national unity that could not be achieved in any other way. A commendable beginning has been made voluntarily by the Canadian universities foundation. They have established a commission on the financing of higher education at a cost of $200,000. The money has been contributed by the Ford foundation and by Canadian industries.

Their report, which is expected in 1965 will include:

(a) Prospective financial requirements of universities and colleges for operation, research, physical facilities and student aid;

(b) The proportion of the financial support of higher education which should be provided by tuition fees, contributions from governments, corporations, foundations and individuals;

(c) Policies regarding the allocation of funds for higher education and criteria by which institutions and students should be deemed eligible to receive such aid;

(d) Organization for the financing of higher education, including the role of appropriate agencies for the distribution of funds.

This voluntary effort should mark the beginning of a continuing task to be undertaken by a government agency similar to that of the scientific secretariat recently announced in the House of Commons by the right hon. Prime Minister (Mr. Pearson). The time has come for a bold and imaginative approach in developing a policy of assisting the provinces to provide adequate facilities for the higher education of their young people. Effective leadership must begin from a centre of study and planning established by some responsible federal agency.

[Mr. Webster.]

I wish to give briefly five reasons to justify federal involvement in higher education as well as in research.

(1) The Canadian union of students maintain that only one half of the young people who are capable of higher education ever enrol in a Canadian university. They assert that such a waste of human talent is indefensible. Since every democratic state desires to see its people achieve the full extent of their potential development, a federal government in concert with provincial authorities must accept a large share of responsibility for improving this condition.

(2) The work of universities does not end at the provincial boundaries. In each of the larger universities there are students from all the provinces. Likewise the graduates of the universities are distributed over the entire country. They are one of the most mobile elements in the working population and comprise a source of skilled and educated personnel which is available to the nation as a whole. Since all benefit from the work of our most capable men and women, it is not unreasonable to ask that all should contribute to their training.

(3) In our increasingly complex industrial life, the role of the universities in sustaining and improving society is now vital. Never before has the public welfare in its social, cultural and economic aspects been so dependant upon the effective functioning of our universities. This calls for a high level of investment in higher education both from private industry and from provincial and federal governments.

(4) The commission on Canada's economic prospects, of which the present Minister of Finance (Mr. Gordon) was chairman, expressed the following view in 1956:

> It is our duty to point out most emphatically that it is vitally important to Canada's future for the status of our universities to be improved and strengthened and for their facilities to be increased. In this connection it must suffice us to express the strong opinion that no government which bears any share of responsibility for the future economic development of this country can allow a solution to the pressing financial problems of the universities to go by default.

(5) The federal government has recognized that it has a responsibility for supporting the universities by its per capita grants to the provinces, by its grants to scholars through the national research council, by capital grants through Canada Council, and by loans for student residences through Central Mortgage and Housing Corporation.

While these contributions have been praiseworthy in the past, they are already inadequate today. There is little evidence that there is any appreciation of the tremendous needs of the future in all parts of Canada. One fact is clear: Only the federal government has the resources to provide the certainty and uniformity essential to any broad scheme of financial assistance to higher education in this country.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have carefully considered this Bill No. C-108 derived from the Family Allowances Act of 1944-45.

Personally, I support this measure and I will vote for it, but I should like to make a few reserves and suggestions with respect to its constitutionality. In the light of the Canadian constitution, the fields of social security and education are a responsibility of the provinces and normally should be administered by the provinces. Besides, on the occasion of a number of federal-provincial conferences, namely those of 1963 and 1964, as well as previous conferences, the province of Quebec and other provinces clearly expressed their views on this matter.

Mr. Speaker, the fact that a fiscal compensation would be granted to the province of Quebec indicates that the federal government admits the unconstitutionality of its legislation. It makes the payment of school allowances conditional, as it imposes conditions on the provinces which have the full responsibility in the field of education.

I know that there have been for some time exchanges between the officials of the federal government and those of some provinces, especially the province of Quebec.

The government should hand over to the provinces a wider taxation field and enable them to adequately discharge their responsibilities in fields like social security and education.

This Bill No. C-108, Mr. Speaker, is in some way similar to the Family Allowances Act of 1944-45 and two other pieces of social security legislation, the Unemployment Insurance Act and the Old Age Pensions Act.

In 1940 administrative responsibility for unemployment insurance was given to the federal government, but, in order to meet the requirements and respect the rights of the provinces, the constitution was amended and the federal government was able to set up a fund to provide for unemployment insurance benefits. Moreover, as regards old age pensions, a constitutional amendment was passed in 1951 to enable the federal government to legislate and to establish an old age security fund.

When the federal government passed the Family Allowances Act, in 1944, it ignored the provinces and did not amend the constitution. It did not set up a special fund but merely drew upon the consolidated revenue fund.

That is why I suggest that the government should propose an amendment to the constitution to legalize its action even though I feel that social, educational, civil and family matters come under the exclusive jurisdiction of the provinces.

Mr. Speaker, it is my opinion that social security and education should receive special consideration at the next federal-provincial conference, in order that an agreement might be arrived at in those fields, if possible, and that their taxation fields might be returned to the provinces so that they might be able to fully exercise their prerogatives.

Mr. Speaker, it is well known that for over 25 years conflicts have arisen between the provinces and the federal government concerning their respective responsibilities, in order to know whether the federal government should intervene in those fields which, normally, come under provincial jurisdiction. On the other hand, the provinces endeavour to recuperate their taxation powers as much as possible so that the objectives of the federal government might not come into conflict with their rights.

Consequently, it is my opinion that serious consideration should be given to social security and education during a forthcoming federal-provincial conference, in order that these fields may come under the exclusive jurisdiction of the provinces with the federal government returning to the provinces the necessary taxation fields which would enable them to discharge their responsibilities. By so doing, I feel that there would be less frustration and that confederation would be strengthened.

[*Text*]

Mr. Steven Otto (York East): Mr. Speaker, for a change it gives me great pleasure to disagree violently with the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon). All of the speeches made this afternoon on this bill dealt with education. The hon. member for Medicine Hat (Mr. Olson) clearly outlined that in this age of automation the people likely to be most hurt will be the ones without the benefit of education, and even

expressed some doubt that even at that all of us can be employed.

The hon. member for Grey-Bruce (Mr. Winkler), chief whip of the Conservative party, quoted *Maclean's* magazine, and we see many articles in newspapers pointing out that education is no longer a municipal affair. In fact it is no longer a provincial matter. With great respect I think today it is a matter for this government, and to hear the hon. member for Joliette-L'Assomption-Montcalm taking the opposite view is absolutely contradictory to the feelings of the times.

Mr. Pigeon: On a question of privilege, Mr. Speaker, I said at the beginning of my remarks that I support the bill, but I said also that it would be better to respect provincial rights and to have agreement with the Quebec government on this matter. I think many provinces share my views.

Mr. Otto: It is just on that point I would like to disagree. It is a curious thing that in this country with 19 million population we do not have in our federal government a minister of education or a department of education. We have one Minister of Agriculture, with another coming up, but no minister of education. It is not only curious but tragic.

If a man does not get a sound education, let us say in one of the maritime provinces, and becomes unemployable, who is going to be responsible for the maintenance of him and his family? Is it the province, or is it up to this government to make the unemployment insurance funds available in order to support him and his family?

As I say, it is no longer a matter of municipal or provincial concern. A meeting of Canadian teachers recently resolved that education today is a national concern. I support this bill very strongly but it seems a devious way, an indirect way to accomplish what we know should be done, and that is for the federal government to be concerned with educational matters. I strongly suggest that all of us, and the government in particular, pay great attention in the contemplated amendments to the British North America Act to work out a scheme by which education will be a national concern and become the business of this government.

Surely all of us here, surely all the governments that are formed from time to time will pay just as much respect to the separate schools of the separate groups, and to their different educational requirements, as does each province. That would be my recommendation, rather than that put forward by the hon. member for Joliette-L'Assomption-Montcalm.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I am sure the house listened with attention and interest to the remarks of the hon. member for York East (Mr. Otto). I am led to believe that he frequently is placed in a position of flying kites for the government, and I am waiting for further support on the other side of the house for this proposition that denies every principle of confederation, that an amendment be made to the British North America Act to provide for the control of education by the federal parliament.

Miss LaMarsh: Don't hold your breath.

Mr. Diefenbaker: The warmth with which it was received by hon. gentlemen opposite indicates that the hon. member spoke with some authority, but certainly not an authority that is acceptable to members belonging to the Conservative party, nor has such a proposition ever been acceptable to them.

I have followed the discussion today with considerable interest. What is being achieved here, in what the hon. member for York East referred to as a devious way, is the amendment of the family allowances legislation to extend the period within which payment is made to cover those attending school at the ages of 16 and 17 years. I may appropriate from the hon. member that expression, devious, because it is very clear that what is being done merits that descriptive word of the hon. gentleman. Sitting as he does among those who bring about this change this way instead of doing so directly by amendment of the Family Allowances Act, the expression that he used has that appropriateness that will deserve an answer from some of those associated with him in the government of the day.

This matter has been delayed unnecessarily. During the election campaign of 1963 a promise was made that the very first legislation introduced would be legislation to assure that young men and women of 16 and 17 years of age, described in the legislation as youth, would merit the immediate payment of the family allowance. But the matter has been delayed. Why it should have been delayed I do not know. But I do know that on more than one occasion we in the official opposition endeavoured to secure action thereon. It is well to recall some of the discussions in this connection so that the record may be complete. On May 20, 1963, speaking on the address, I asked for action in this

regard and used these words as recorded on page 45 of *Hansard*:

> In order to assure that the youth of our country can carry on, what is going to be done in respect of the important matter of family allowances, of extending their applicability to youths up to 18 years of age who are attending school? What action is being taken in this regard?

That speech was made 14 or 15 months ago. The undertaking given by the members of the Liberal party, who support the government of the day, was that this legislation would be brought in immediately. It was among those things which were to be brought in within the 60 days of decision, those unlamented days that turned out otherwise. We continued to press over and over again for action in this regard. When the session resumed in the fall, I asked the following question of the Prime Minister on October 24. Here is the exchange as recorded in *Hansard*:

> I should like to direct a question to the Prime Minister and ask him if it is the policy of the government to extend family allowances beyond the age of 16 for boys and girls who remain in school.
>
> Mr. Pearson: Yes, that remains the policy of the government.
>
> Mr. Diefenbaker: Will it be brought up this session?
>
> Mr. Pearson: It will be brought up as soon as it can be arranged.

In other words there has been unjustified delay in this connection.

From time to time among those who do not understand parliament I hear it said that motions and amendments respecting matters on which the opposition are demanding action ought not to be made because they delay the business of the house. Well I would point out —and it is most interesting to have this pointed out for the purpose of the record—that what took place in February last indicates how a government, regimenting its supporters, can bring about the defeat of that which each and every one of them had advocated. On February 26 the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) seconded by the hon. member for Perth (Mr. Monteith) moved that the following words be added to the address in reply to a speech from the throne:

> We respectfully regret that Your Excellency's advisers have failed to propose the extension of family allowances to children 16 to 18 years of age who still attend school.

It would have been very easy for the government, if there had been any desire on its part to bring in this legislation so that it would apply in accordance with the promise made in the election of 1962-63, to have given some support to this. They could not argue that it amounted to a vote of non-confidence because, by the simple expedient of saying it was not, they could have availed themselves of a means—to use the words of the hon. member for York East (Mr. Otto), a devious means—of getting around an amendment moved by the opposition. Well the amendment was moved, and behold what happened. The record here is tremendously interesting. Those people who say they carry out their election promises voted on this question on February 27.

Mr. Winkler: Did the minister vote against it?

Mr. Diefenbaker: She will tell you herself, I presume. I must say that if she did not she belonged to that distinguished group who were absent from the house at the time. I think she is here in the list. Oh yes—Miss LaMarsh; she is here. And all the others who sit over there are included in the list voting against the measure they had promised, and which they had postponed. I also find it is interesting to be reminded that some of those who sit to my left found it necessary to vote against this proposition. I listened to the words of the hon. member for Medicine Hat (Mr. Olson). He is all for this. Yet he voted against it when it was moved as an amendment. I do not wish to embarrass hon. members. There will surely be some others who will speak on this. But it is most interesting that those who sit to my left in the Social Credit group, all of them, in addition to the one to whom I have made reference, also voted against this proposal. I see the hon. member for Fraser Valley (Mr. Patterson) rising. I was not going to mention him, but he also voted among the "nays".

Mr. Patterson: Would the right hon. gentleman permit a question? Did that amendment mean, had it been carried out, that there would have been an extension of the allowance to that age group?

Mr. Diefenbaker: Had the government at the time said the vote was not to be taken as a vote of confidence, then the house would have spoken. But no amount of hair splitting on the part of the hon. gentleman can justify his voting against this proposition on the occasion in question when, as a matter of fact, he had told his constituents beforehand that he believed in it.

This is the kind of thing which makes people suspicious of parliament, if they are. I could go on and name others, but the hon. gentleman insisted that he be included in the

list by rising and asking a question. If there are any other members over there who wish to be included all they have to do is rise, and I will name them. All of which indicates the inconsistency of the attitudes taken by some of the hon. members who were elected to oppose the present government. I think it would be of interest if hon. gentlemen would turn to page 340 of *Hansard* for February 27 and try to explain to the house today how, in these few short months, they have been converted to a different stand.

That is the benefit—I am speaking more seriously now—of these motions and amendments. They force the government to act. All over Canada, after we had taken this stand, one newspaper after another referred to the inconsistency shown by hon. members opposite, none of whom was more inconsistent than the minister of health.

Miss LaMarsh: Would the right hon. gentleman permit a question? Perhaps he could tell the house how it was that motions frequently moved during the years from 1957 to 1962 were insufficient to enable the administration which he headed to act in this regard.

Mr. Diefenbaker: That is a most interesting question. I wish I could deal with it in detail, because the amendments which the government of today moved when in opposition, and which they have run away from now they are in office, are most illuminating. That is the kind of interruption which is always beneficial and in keeping with the best parliamentary practice. Hon. members may recall that the government was going to bring in a development fund. This was to be the cornerstone of our economic development—a national development fund. Day after day they preached that. They introduced it, by amendment. And ever since they came to office they have been running away from it, fearful of taking the essential step by which they were going to bring about an improvement in the economy. I wish I had a record of some of the other amendments, few if any of which have received any attention on the part of the government, now that it is in office. We took the stand—and it was made perfectly clear—that the legislation in this regard was going to be introduced in February of 1963, at which time we met defeat in the house. We intended to do this, and the legislation was ready for the purpose of extending these allowances. And what has happened? Those who voted for this government, relying on the promise that this would be among the first things they would bring before parliament, have, as in so many other cases, been entirely deluded if not deceived. Again, to borrow that expression which I am sure will become a monumental one and which was coined a few minutes ago by the hon. member for York East with the knowledge that he has of those with whom he sits, the government obtained its support by devious ways.

There is a provision with regard to the provinces that do not wish to come under the plan directly. I am not going to deal on this occasion with that problem in any detail. An opportunity is going to come very shortly to speak at length in connection with dominion-provincial relations, in connection with the provision of those things that will bring about unity within the nation.

Miss LaMarsh: Your resignation.

Mr. Diefenbaker: But I do say at once that many thinking Canadians today are becoming very concerned at the degree to which the constitution is being subverted, its principles deviated from, legislation brought in effective for some provinces in Canada but not for others. In other words, these people are very concerned with the degree to which this government, in the few months it has been in office, is bringing about within Canada division and disunity by policies that cannot but divide this country at a time when, as always, unity is of primary consideration. This concept that is receiving the support of this government, namely of dividing this nation, is something that is dangerous to the future of our confederation. Every step that is taken by the government in advancing division within this country is fraught with danger to the preservation of our national unity. I shall deal with that in more detail when the opportunity comes.

Sir, we in the opposition have heard over and over again, from elements of the press which have never shown any affection for the Conservative party, that in the opposition we follow a course of endeavouring to prevent the government bringing in its legislative program. Nothing of the kind. Yesterday the defence matter was before the house; today it was passed on division.

Miss LaMarsh: Today it is youth allowances.

Mr. Diefenbaker: The defence bill was passed on division following an exhibition on the part of the government of stubborn refusal to give information to parliament, and we wanted this to remain as a monument to this government in the days ahead. Today

legislation is brought before this house to provide for the extension of family allowances. We are going to support it. It represents the stand we have taken. All we ask of this government is that it bring in its legislative program instead of endeavouring to bulldoze parliament.

Mr. Starr: Muzzle.

Mr. Diefenbaker: Not to muzzle—to bulldoze parliament is the only expression to describe it.

Miss LaMarsh: The same old speech.

Mr. Diefenbaker: That is the attitude taken by this government, which says that unless we pass this flag resolution, this personal pennant, we are going to sit here all summer.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I am glad to see the support the government has. This indicates that those hon. gentlemen—and I would like to identify them—who sit on the periphery of the cabinet are entirely in agreement with an attitude of trying to muzzle parliament into doing those things that the government wants done. Bring on your legislative program. Come along with your loans to students. You have not got it ready. You have been talking about it for months; bring it in. It isn't ready; you have not drafted it; you have come to no agreement with the provinces. Yet you pretend that these things will be done. Bring in the legislation with regard to 10,000—

Mr. McIlraith: Mr. Speaker, I wonder if I could ask the right hon. gentleman a question?

Mr. Diefenbaker: Yes.

Mr. McIlraith: Is the right hon. gentleman discussing second reading of a bill which is part of the government's program, or is he discussing something else?

Mr. Diefenbaker: Mr. Speaker, I am glad the hon. gentleman came in. He did not hear the argument, obviously. He does not know what took place, and he interrupts with that ignorance that so often characterizes him. All I have to say in that regard is, bring in the legislation and we will give it immediate attention. We will give support to this measure or any legislative program to carry out those things beneficial to Canada. Such matters will receive attention, and immediate attention. But I again point out to the hon. gentleman, whose kindly nature is I know foreign to intimidation of any kind, that you are not going to be able to browbeat parliament into a position where you require parliament to do what you want done, on a matter that does not have the general support of the Canadian people.

Some hon. Members: Hear, hear.

Mr. McIlraith: There is a bill before parliament now.

Mr. Diefenbaker: Did somebody over there speak of parliament? Are they going to speak of parliament and how it operates?

Mr. Bell: The pipe line boys.

Mr. Diefenbaker: Let those who know not parliament give me their idea about parliament, or endeavour to lead this house to believe they have any knowledge of it. This legislation is beneficial. We support it.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I am glad to see who applauds. The hon. member for Kootenay East (Mr. Byrne) makes a great contribution to the house, because he is the official applauder—and I thank him very, very much.

Mr. Pugh: He always misses his cue, though.

Mr. Diefenbaker: I have been diverted by the interruption of the minister, and I return to the bill. This legislation is about 13 months late. We were at all times ready to support it. The Liberal party said it would be brought in during the 60 days, and the 60 days have become almost 400 days.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, after hearing the Leader of the Opposition (Mr. Diefenbaker) cry out a moment ago that the government should introduce up to date legislation, I wonder why he did not restrict himself to Bill No. C-108, which is precisely a measure likely to help young Canadians 16 and 17 years of age.

After stating that he supported the principle of the bill, he managed to include in his remarks a few statements which are surely not to his credit. For instance, he said that this legislation would cause more division in Canada. The game of the Leader of the Opposition at present is to cause division in the country.

[*Text*]

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege. At no time did I say that, either directly or indirectly.

Mr. Caouette: Mr. Speaker, in my right hon. friend's language I would say this, that while

I was sitting here I heard him say that the government was dividing Canada—

Mr. Diefenbaker: That is what I said, but I was not referring to this.

Mr. Caouette: —and that it was creating division with its legislation. Who has stopped the former prime minister of Canada from presenting legislation like that we have before us and are discussing today? Who has prevented him from doing that?

[*Translation*]

Mr. Speaker, that is nothing new for the Leader of the Opposition, since he stated in the past that family allowances were merely a piece of legislation to assist French Canadians in the province of Quebec. But I realized myself that in western Canada, and in the riding of the Leader of the Opposition, there were as many large families as there are in the province of Quebec.

Another point on which the Leader of the Opposition was wrong is that some years ago he was against family allowances because, he said, they were designed to help families in the province of Quebec.

Mr. Speaker, the Leader of the Opposition said he would support this legislation. We shall also support it, but we think that $10 a month for 16 and 17 year old Canadians attending school, college or university does not represent very much, considering what family heads must spend to maintain their children at university or at school when they are 16 and 17.

One hundred dollars a year. The province grants scholarships of $250, $300 and $400—and when you belong to the right party, it might probably go to $500—plus $100 granted by the federal government.

What does that amount to, when we have to pay up to $1,500 and $2,000 a year so that our young people can complete their education and secure the qualifications they are entitled to.

Mr. Speaker, this legislation provides for the payment of $10 per month for our 16 and 17 year old youths. While this bill is an extension of family allowances to assist our young people who continue their studies, what help is $10 a month for our young people attending university? Is that not laughing at people, at parents, and at the rising generation?

Mr. Speaker, the bill is far from complete. I appreciate that, for election purposes, one can use measures like Bill No. C-108 to say: We have extended family allowances to children of 16 and 17 attending schools and universities. But it does not mean much to the young people, and particularly to family heads who must support their children and look after their education.

For a youth of 16 or 17 who leaves public school to go to high school or technical school, $10 per month is not much. Moreover, in Quebec, students have been getting this allowance of $10 a month for a year or two. But today, when the federal government intervenes and offers this additional family allowance, the provincial authorities cancel the $10 they were paying last year. That is what is happening now in Quebec.

Our young people need greater consideration on the part of administrators, both provincial and federal. The physical possibilities are tremendous in this country. We have schools and, if there are not enough, we can build more. However, to maintain our young people in those institutions is a financial problem, not a question of good will. The problem is not one of intelligence, but of money, and as long as the authorities, federal or provincial, will not tackle the difficulty at its source, we will continue to have before us measures such as Bill No. C-108, which the Leader of the Opposition is ready to support, even though he did not bring it forward when he was in office, as I pointed out a few moments ago.

It has been said that this bill or others of the same type are apt to create division in Canada. What division can we create in the country with $10 a month? The problem is much more deep rooted and serious and it will not be settled by haphazard solutions. It is not by such remedies that we will restore the mutual confidence which perhaps has already existed in Canada and which must naturally exist, but it is by bold measures which will bring a gleam of hope to the whole population. In short, we need something that will restore confidence in our parliamentary institutions, the government, the administration.

Mr. Speaker, it has been said that Social Credit members were irresponsible visionaries. However, they suggested solutions, but these were rejected.

Let us examine the solutions which this government is putting forward today to assist students who wish to complete their studies. The government is offering $10 a month, for ten months in a given year, which amounts to $100. No matter how Social Credit proposals are ridiculed, they are not without merit. If and when the government decides to consider these proposals seriously, it will perhaps realize that, instead of sinking

towards socializing and socialistic policies as it is now doing, it is possible, by controlling not human beings but finance, to put our national resources and the Canadian physical potential at the service of the Canadian people. Monetary reform is the only thing that should be taken into account to get the results we want.

There have been some suggestions, plans and planning. And we still see the government introducing bills similar to the one now under consideration; it is a new planning to help students: extended allowances.

Mr. Speaker, the Social Crediters did not lie 25 years ago; Major Douglas was not wrong 40 years ago. Now, I sincerely believe that if the government had fully considered the suggestions of Social Credit, it would have stopped a long time ago disguising its legislation in financial tentacles which are not our own but which control us.

Oddly enough, the government is reluctant to grapple with financial problems or tackle the financial giants, but it is willing to take on human beings—children, students and parents.

Mr. Speaker, Social Credit knows the solution to the problems that were caused entirely by successive governments, Grits or Tories, Liberals or Conservatives. Today, faced with the depressed conditions in which we find not only the students but the people in general, it is high time that we take exceptional measures to correct abuses at the source, which lies in the financial system, which scoffs at people and at governments and controls or tries to control the political parties, whatever they are.

Mr. Speaker, as I have said time and time again, the government should assume its responsibilities. We should stop presenting to the people legislation like Bill No. C-108. Ten dollars a month. We will certainly vote for those $10 a month, because it is better than nothing, but what can a university student do with $10 a month?

You know, Mr. Speaker—and the government knows it also—that he cannot do much. Nevertheless, let us accept the principle that students need help, because the monetary system is not only fictitious but obsolete. Our students, your sons as well as mine, thereby suffer, and we think that we are going to help them by granting $10 a month. Our group is going to vote for that amount of $10 a month as proposed by the government, but we wish that it were more generous. The government should be as generous towards our students as towards our soldiers in Cyprus, in the Congo and in the other countries of the world. When peace has to be restored in the world, we spend millions and millions of dollars; but to help our own sons, our own students, the government offers $10 a month.

Mr. Speaker, I shall close my remarks by saying that those $10 a month are not enough, that we are mocking our young people of 16 and 17, because they need more to continue and complete their studies, in order to contribute not only to the economic development of Canada, but to its cultural development as well.

Mr. Jean-Pierre Côté (Longueuil): Mr. Speaker, I rise to express my opposition to the proposal made by the hon. member for York East (Mr. Otto) concerning the establishment of a federal department of education.

In my opinion, the major role the federal government could play in the field of education would be to pay the cost of education of English and French minorities in the ten provinces of Canada.

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, first of all, I want, with my other colleagues of the opposition, to support the principle of Bill No. C-108. Along with the other members who have already spoken, I want to say how important it is to encourage young people to remain in school as long as possible. Too often students leave school to take employment which provides them with a good wage, but they regret it later on.

I am sure other members of the house often see such cases. Young Canadians come to my office looking for work, and then they tell me: "Mr. Grafftey, I intend to quit school."

I think, Mr. Speaker, that all members of every political party in the House of Commons must encourage young Canadians to stay in school as long as possible.

[*Text*]

At the outset, Mr. Speaker, I should like to say that with other members of the opposition I intend to support fully the principle of the bill. I was very interested in the remarks of the hon. member for York East (Mr. Otto) to the effect that education should fall under the jurisdiction of the federal parliament.

[*Translation*]

Maybe the Minister without Portfolio, the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis) agrees with me about the fact that this is undoubtedly the reason why Mr. Lesage asked for the separation of Liberal

forces in the province of Quebec, because the Liberal party never said in Quebec the same things it proclaimed outside that province.

[*Text*]

I feel that the hon. member for York East, in putting forward such a proposition, certainly shows us why Mr. Lesage asked for the separation of the Liberal forces in the province of Quebec. It is simply because little by little Canadians are realizing that Liberalism means division. The Liberals have never said the same thing in the province of Quebec as they have outside the province of Quebec.

During the debate this afternoon I could not help taking great interest in the remarks of the hon. member for Winnipeg North Centre (Mr. Knowles). In 1964 most hon. members are beginning to recognize the fact that uniformity does not underlie the Canada of today. I agree completely with the approach of the hon. member for Winnipeg North Centre to the problem when he states that unity in diversity underlies the mosaic or the facts of life, so to speak, in Canada today.

In supporting the basic principles of the legislation I wish to make some suggestions, and I am not going to be adamant at all. I simply say I have a great suspicion that what the government is seeking to obtain is very good and desirable but, as with so many things that the government led by this Prime Minister (Mr. Pearson) is trying to do, it is going about it in absolutely the wrong way. I suspect that one thing this debate is going to point up and emphasize is the fact that the machinery for permanent consultation between the federal government and the provinces is woefully inadequate. What is going on today underlines once more why time and time again I have suggested both inside and outside the House of Commons the immediate creation of a permanent secretariat for federal-provincial relations at the prime ministerial and premier level. If we are in the dark in many areas in this debate as we approach this important subject, it is because to my knowledge not enough prior consultation has gone on with the provinces in relation to this problem before this bill was placed before hon. members. If adequate prior consultation had gone on with the provinces generally and Quebec in particular we would not, to a great extent, be debating in the dark today.

The hon. member for Perth (Mr. Monteith) said in general terms that because the bill based on a resolution under No. 61 on government orders is not before us at the moment we are forced to debate not only the principle but many of the details of this bill in the dark. Hon. members opposite laugh, but I suggest that federal-provincial relations and details of this sort are of great importance.

Mr. Macaluso: I rise on a question of privilege, Mr. Speaker. The hon. member said that members were laughing. If there are hon. members laughing they must be on the other side because I heard nothing.

Miss LaMarsh: We are all asleep.

Mr. Grafftey: The Minister of National Health and Welfare (Miss LaMarsh) says, "We are all asleep". Certainly, she must have been sound asleep in the area of federal-provincial relations. The Minister of National Health and Welfare, surrounded by her centralizing colleagues, have done more in terms of creating national disunity in this country than any government in the history of our nation.

I come again to the general atmosphere surrounding this problem before it was brought before the House of Commons and underlines the fact that, time and time again we have found the permanent consultative machinery between the federal government and the provinces woefully inadequate. I suggest that had there been a greater degree of open consultation based on this permanent machinery we would have been helped in this debate today. If the terms of the bill based on resolution No. 61 were before us, the debate could easily be more meaningful. Why do I say that? Not having seen the bill itself, I am not going to be dogmatic on this point. However our party has said, why were family allowances not simply extended and then the proper fiscal arrangements to provide for the province of Quebec recapturing its proper fiscal powers not made? We ask that question without any knowledge of what real consultation went on with the provinces, without the terms of the bill based on resolution 61 before us.

We are obviously handicapped, Mr. Speaker, when we go into these details. I suppose members opposite will say it is obstruction when we want to know the real facts which touch upon one of the most important subjects before the Canadian people today, namely federal-provincial relations. Am I not right in saying, Mr. Speaker, that under the present family allowance legislation the only time the allowance is not paid in respect of children under the age of 16 is when the children are

not in school and they should be? The minister says no, and I am willing to be corrected.

Miss LaMarsh: I will close the debate if I speak.

Mr. Grafftey: The minister says no, that is not the case. But I still come back, Mr. Speaker, to the general proposition, without being adamant about it, that with the scanty information we have at the moment we have every reason to believe that the ends desired by this legislation would have been achieved by a simple extension of the Family Allowances Act and compensation made to the province of Quebec to enable it to recapture certain fields of taxation.

While I support the principle of the bill, I certainly reserve my right to say that the government is attempting to achieve a good end but is going about it in a wrong way. I had not intended originally to speak in this debate. I may be redundant when I say that the debate so far has pointed up time and time again the immediate necessity for the establishment of permanent consultative machinery for federal-provincial relations, not only between departments but between the Prime Minister and the premiers. Unless this is done immediately, Mr. Speaker, debates such as this in the federal House of Commons are going to continue to be unsatisfactory. We are going to go into dark areas where members of the opposition will not be able to speak with any real authority unless the proper consultation takes place and unless the proper homework is being done on these matters. I believe this could easily be another case in which the federal government initially got into trouble because they attached an education rider to their legislation. Then there had to be another retreat. Otherwise they would simply have extended family allowances and made a taxation provision for the province of Quebec.

As I mentioned a few moments ago, Mr. Speaker, I am supporting the principle of the bill. I thought it wise, before six o'clock was reached, to support the principle and to add this reservation that I and many other members on this side of the house have at the present time.

BUSINESS OF THE HOUSE

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A to inform the house that the question to be raised at ten o'clock this evening is as follows:

The hon. member for Swift Current-Maple Creek (Mr. McIntosh), beef prices, entry into the United Kingdom market.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

YOUTH ALLOWANCES

PROVISION FOR PAYMENT BETWEEN AGES OF 16 AND 18

The house resumed consideration of the motion of Miss LaMarsh for the second reading of Bill No. C-108, to provide for the payment of youth allowances.

Mr. Deputy Speaker: Is the house ready for the question?

Mr. Reg Cantelon (Kindersley): Mr. Speaker, prior to six o'clock we heard a great many short speeches on this particular topic, and I can assure you that what I have to say this evening will not take very long either. I approve the legislation which is presented and I do not intend to delay the passage of it.

Most hon. members approve of it on the basis that it will assist parents to keep their children in school for another two years, but there is one small criticism I have to offer. It will only assist parents to keep children in school during the years 16 and 17, and a little elementary arithmetic will indicate that most of the children who leave school at age 17 will not have completed grade 12, let alone grade 13 in Ontario. In some instances this might cause a bit a difficulty for the parents and therefore I regret that the assistance is not being made available also for those aged 18 years.

Mention has been made that the program will cost us some $27 million this year, plus the amount that will be given to the province of Quebec as a direct grant. This is quite a bit of money, but from my standpoint it is a justifiable expenditure. It is a certainty that no country ever suffers from having a highly educated population and anything we can do to assist in raising the general level of education is to be highly commended. For this reason it is a good thing that this allowance is being granted to 16 and 17 year olds and I am only sorry that the 18 year olds are not included.

We know unemployment is always greatest in those areas where the people are the most

poorly educated. Of course there are exceptions to every rule, but this is the general experience, and if this is so again we have a very good reason for making this grant to parents.

I am also glad that the province of Quebec has seen fit to co-operate in this particular case. In some other instances there has been a great deal of difficulty in securing co-operation from that province but, as was pointed out by the Minister of Finance (Mr. Gordon) this afternoon, by modifying their legislation they have gone along with this plan. In particular I am glad to see that what I would call the only real logical objection to the legislation has been removed by the fact that the income tax exemption will be kept at $550 for parents who have children aged 16 and 17 years attending school.

I regret that we are still waiting for the student loans legislation and I hope it will be introduced as quickly as the minister can do so. I am also extremely sorry that the legislation for the 10,000 scholarships which were to be granted, about which the Minister of Northern Affairs and National Resources (Mr. Laing) spoke a year ago last March, is still delayed. I hope it will soon come out of the limbo of the unknown, wherever it is, and be presented to us at an early date.

With these few comments, Mr. Speaker, again I want to express my general approval of this legislation and hope it will receive speedy passage.

Mr. Deputy Speaker: Is the house ready for the question?

[*Translation*]

Hon. Théogène Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to make a few remarks on the legislation now before us. I also want to remind the house of certain statements, certain planks of the Liberal platform. First of all, I should say that this bill comes very late and that, because of the lack of preparation with regard to it, the Canadian people have lost at least 15 months of benefits which might have been paid to our young people who are qualified under that legislation tending to give them an opportunity to finish their education.

The problem of education is of the highest important for the French Canadian nation as for the remainder of the country.

I noted, like several others in the house, the remarks made this afternoon by the hon. member for York East (Mr. Otto)—who was rebuffed by his own fellow member for Longueuil (Mr. Côté). We find that even within the Liberal membership, there is no unity of thought with regard to this bill. It is hardly surprising that in the caucus the government members were unable to agree among themselves on a measure which might have been acceptable to, and would have been accepted by the House of Commons, because they could not even agree on the kind of legislation they wanted to bring in.

Mr. Speaker, I have before me folders from the two last election campaigns of the Liberal party, in which they promised to extend family allowances to boys and girls of 16 and 17 who are attending school. Here are some folders which were distributed during the general election of June 18, 1962, in which we may see the following:

[*Text*]

A new Liberal government will:

Extend family allowances beyond the age of 16 for boys and girls who remain students. This will mean that more teen-agers can qualify for skilled jobs.

[*Translation*]

And further on:

[*Text*]

Help to invest in Canadian youth by voting for your Liberal candidate on June 18.

[*Translation*]

Mr. Speaker, I am happy to hear the applause coming from the other side of the house, but when I think about the young people in Canada, and more particularly those of the province of Quebec, I feel sad because the young people of the province of Quebec and of the rest of the country have been deprived for 15 months of what had been promised in 1962 by those who are today applauding this legislation.

Here, I would like to refer to a circular letter, written in French, in order to satisfy my friends opposite, in which it is said that a Liberal government would re-establish security thanks to allowances payable in regard to children aged 16 years still attending school.

Some hon. Members: Hear, hear.

Mr. Ricard: Well, it pleases me considerably, Mr. Speaker, to hear applause from my friends opposite, because this is a unique proof of their sincerity.

Some hon. Members: Hear, hear.

Mr. Ricard: This is something they had promised two years ago, but once in office, they waited for 15 months before carrying out their promise. For 15 months, they

deprived the youth of this country of the benefits of legislation that we also had promised.

An hon. Member: Six years in office.

Mr. Ricard: Today, they pat themselves on the back because they have been inactive for a long time.

My hon. friends opposite will regret having spoken out of turn. In fact, to remind them of what we were intending to do, I will ask them to refer to page 2885 of *Hansard* for April 12, 1962, when the then minister, now the hon. member for Perth (Mr. Monteith), said:

> Mr. Speaker, I have an announcement to make which I believe represents a new breakthrough in Canada's welfare system.
>
> I have today written the provincial ministers informing them of the government's intention to initiate a new program of welfare grants designed to assist in overcoming major deficiencies in our present nation-wide network of welfare services.

The then minister wrote in black and white that we were just waiting for the proper time to submit the legislation to the house.

Further on the same page, we can read:

Mr. Drouin: Mr. Speaker, would the hon. member allow me a question?

Mr. Ricard: Mr. Speaker, if the hon. member wishes to—

Mr. Drouin: Mr. Speaker, could the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) tell me why the Conservative government waited until April 12, 1962 to put such legislation on the order paper, while they had been in power for six years?

Mr. Ricard: Mr. Speaker, the answer is quite simple. There was so much to do, things had been left pending so long, there was so much to do over because of the neglect and the lack of vision and foresight of our hon. friends opposite who preceded us; in brief, the 22 years of inaction of the Liberal party had put us in such a position that we had to tackle the most urgent problems first.

In the first place, we gave our old people a pension which—

Mr. Deputy Speaker: Order. May I remind hon. members that we are now discussing Bill No. C-108, an act to provide for the payment of youth allowances?

Mr. Ricard: Mr. Speaker, I realize that quite well. But I was carried to other ground by my hon. friend from Argenteuil-Deux-Montagnes (Mr. Drouin).

Now, I should like to go on putting on the record what the former minister of national health and welfare stated, as can be seen on page 2885 of *Hansard* of April 12, 1962. I quote:

> This new program will be complemented by the establishment of a national council of welfare, as announced in the speech from the throne.

That seems clear to me. First of all, we informed the house of the legislation that we proposed to introduce. We could not do everything at the same time. We had to follow the normal procedure in the house. In fact, my hon. friend from Argenteuil-Deux-Montagnes, who is a lawyer, will recognize that there is a certain procedure to follow in this house. Indeed, if we had departed from the normal course of procedure, he would have been the first to blame us.

A little further, the minister stated:

> As I have indicated previously, I would also like the council to consider a number of other important social security matters such as the development of a new and integrated approach to public assistance, and the need for an increase in the level of benefits under family allowances, along with the question of raising the age limit at which such allowances are paid in the case of children who are still attending school.

Mr. Speaker, if the Liberals and Social Credit marriage had not taken place early in February 1963, the young people of Quebec and the other provinces would have been in receipt of family allowances long ago, and a Conservative government would have granted them. But because a Liberal government was elected, young people were deprived for at least 15 months of family allowances they were entitled to.

As I said, it is a shame that the Liberal party has deprived for so long those young people of the allowances they need in order to prepare their future.

If I were to give a piece of advice to my hon. friends opposite, I would suggest that they pass this measure as soon as possible, so that they might be forgiven the great injustice they did to Canadian youth.

Hon. Yvon Dupuis (Minister without Portfolio): Mr. Speaker, I do not intend to make a long speech, but I cannot let pass unanswered the remarks which have just been made by the hon. member for St. Hyacinthe-Bagot (Mr. Ricard).

We are now considering Bill No. C-108 which all Canadian people want us to pass and which will enable our young students aged 16 and 17 to take advantage of another social measure.

I wish to remind the hon. member for St. Hyacinthe-Bagot that this social measure follows all the others which were passed by the

parliament of Canada through the years, and I call his attention to the fact that all the social measures now in our statutes were introduced, passed and put in the statutes under Liberal governments.

I am always surprised to see our Conservative friends resent the fact that we waited a few months to keep an election promise.

During the years of Conservative administration, which have been quite numerous, we never witnessed the passing of a single social measure proposed by the Conservatives. All social legislation, old age pensions, unemployment insurance, family allowances, pensions for the blind, pensions for the disabled, each one of those social measures was passed in this house under a Liberal regime.

But now we have the hon. member for St. Hyacinthe-Bagot raising a hue and cry because the Liberal party waited 15 months, according to him, before keeping an election promise. Mr. Speaker, I think all Canadians realize that, even if we did wait 15 months, at least we kept our promise.

[*Text*]

Mr. Winkler: Mr. Speaker, may I ask the hon. minister a question?

[*Translation*]

Mr. Dupuis: Mr. Speaker, I wonder if the hon. member would mind repeating his question, because I did not understand it.

[*Text*]

Mr. Winkler: May I ask the hon. minister a question?

Mr. Dupuis: With great pleasure.

Mr. Winkler: I wonder if the minister was one of those six bucks boys of 1957.

[*Translation*]

Mr. Dupuis: Mr. Speaker, I will say to the hon. member that when the Conservatives do something good, it is always when they improve on existing Liberal legislation. They can never initiate any themselves.

Mr. Speaker, I will summarize my comments as follows. For six years, the Conservative party did not take advantage of opportunities to do Canadians justice in the field of social security. However, during the few months we have been in power, we have succeeded in keeping most of our promises. During six years of Conservative administration, more than 265 promises were put aside by the present Leader of the Opposition (Mr. Diefenbaker).

[Mr. Dupuis.]

Mr. Speaker, I think that if our Conservative friends were sincere and if the hon. member for St. Hyacinthe-Bagot were sincere, they would admit that the measure under consideration must be passed so as to enable young Canadian students to take advantage of another measure of social security which is another achievement of the Liberal party of Canada.

Mr. Vincent: Mr. Speaker, I wish to direct a question to the Minister without Portfolio. Can he give us the list of promises carried out by the Liberal party since it came into power, and thus enlighten all Canadians, because at present there is a big question mark about that all over Canada.

On that list, I should not like the minister to mention tax increases, measures—

Mr. Dupuis: Mr. Speaker, you are well aware that if I answered the question put by my hon. friend I would be out of order. He should know that himself. As a matter of fact, it is because he knows I would be out of order and you would call me to order that he ventures to ask that question. He knows very well that if I had a right to do so, I could draw up a long list of all the achievements of the Liberal party since it came back into power.

One thing is sure. We promised to replace inaction by action, and action is there before you. Let the question come to a vote and you will see that we will keep our promises.

Mr. Vincent: Mr. Speaker, could the minister have unanimous consent to take a minute and give us that list?

[*Text*]

Mr. Deputy Speaker: Order, please. The hon. member for Wetaskiwin (Mr. Moore).

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, after the political interlude I would like to refer back to the bill. I fully agree with the principle of extending family allowances to include those students of the ages of 16 and 17, and I intend to support it wholeheartedly. However, I would like to make one point in this regard. If all that is needed to accomplish this objective is an extension of the present act, why is this separate bill needed? To administer youth allowances will require, in this case, new machinery, a new department and added expense, when we already have machinery set up to administer family allowances.

I agree that youths who are unable to attend school through physical or mental deficiency should be included in this program, because due to the fact that they are unable to work they cannot contribute to their own upkeep. The fact that they are unable to attend school should not make them ineligible. These young people should be eligible for this allowance, and the parents of these wholly dependant children of 16 or 17 years of age should receive the additional $10 a month. All of us who are parents realize, I am sure, that it requires more money to give students of this age an education than has been the case in former times. I would like to say, Mr. Speaker, that if the only reason for this special bill, rather than making a simple amendment to the act, is to help out one province, I think it is time that province made some concessions, for a change.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I wish to say just a brief word on Bill No. C-108, which I think the Minister without Portfolio (Mr. Dupuis) wrongly enumerated as Bill No. 75 when he was speaking.

Mr. Dupuis: I agree; it is 108.

Mr. Nielsen: I think this is the first time a member opposite has been quick to agree with any of the constructive criticisms that have come from this side. I think, though, that one cannot allow some of the comments of the Minister without Portfolio (Mr. Dupuis) to go unchallenged. He seems to forget—and if he wants to search his memory accurately he will realize this is so—that it was the Bennett government that planned the unemployment insurance legislation, which the subsequent Liberal government adopted as good legislation, and it was supported by the official opposition.

The Minister without Portfolio also seems to forget that it was during those six years he so decried a moment ago that old age allowances, disabled persons allowances, veterans allowances and old age pensions were increased. This was at a time when the cost of living demanded it, and the Liberal government of the day would not do anything about it. He seems to have forgotten also, that in what he termed the few months this government has been in office—actually it has been in office for 15 months, and 15 months too long, for my money—after those deceitful promises were made across this country of 60 days of blazing action, it was this official opposition that brought about the increase in old age allowances and pensions.

Therefore I do not think the Minister without Portfolio has too much to blow his horn about on that subject, because it was the responsible action of the official opposition that brought about an enforcement of those myriads of Liberal promises that were so irresponsibly made during the last election campaign. I remember one in 1958, when the Liberal party then went so far as to promise a $1,000 bonus to every honeymooning couple in Canada. I can remember these things, so I think the minister should not shout too loudly about the Liberal party.

I want for a moment again to draw the attention of the minister responsible for introducing this bill to an apparent neglect of the two northern territories of this country, the Yukon and the Northwest Territories. She will find, if she reads the bill carefully—and she would know this, if she had read it carefully—that in the definition section in clause 2, paragraph (h), a province as defined therein might very well exclude the Yukon and the Northwest Territories. She will also find that in paragraph (i) of clause 2 a school as defined therein might very well exclude the operation of the very worth while objective of this bill in the two territories I have mentioned.

Throughout the years there has been a very sad problem in the northern territories where students attending school and wanting to further their education have been met with the almost unbearable cost of having to seek higher education in outside centres. They find the expense of having to get to the higher institutions of learning which do not exist in the north a very burdensome one indeed. Therefore any such assistance in this regard would be very greatly appreciated by the student population and by the parents who have to support that population in the north. There are no universities in the north, as the minister knows, and there are also no colleges. For a parent to have to bear the burden of the return air fare to send their children outside—we call it outside—to these institutions of learning is difficult, particularly where the parent concerned is in the lower or middle income groups, and especially so as the size of the family increases.

There is a much greater criticism which can be levelled at the bill, Mr. Speaker, and I am glad to see in this connection the Minister of Finance (Mr. Gordon) in his seat. I can remember him discussing the budget resolutions. I realize he is not interested in the remarks I am passing now, but he might recall that he stood up and gave the house

his assurance that measures affecting the budget resolutions would be introduced and put before parliament all at once in a bundle, as it were. This was, as he explained at the time, so that we could understand the implications which were inherent in clauses such as clause 7 and clause 11 (b) of Bill No. C-108. In fact, there is an order on page 9 of the order paper, order No. 61, which sets forth the desirability of introducing a measure to provide for the revision of certain fiscal arrangements with the provinces, to provide certain adjustments, and so on.

Here we have a bill which we are asked to pass upon, in which clause 7 has definite financial implications, interprovincial and territorial, as also has clause 11 (b). Yet all the information the Minister of Finance promised us would be available is not available. What assurance have we that a province or a territory would not be allowed to opt out of the provisions of this bill with respect particularly to clauses 7 and 11 (b)? What assurance have we, for instance, that regulations will not be passed which will, in effect, nullify the exemptions provided for in the relevant provisions of the bill? We would have some basis upon which to analyse these questions had the undertaking of the minister in introducing all of these budget resolutions at the same time been adhered to; but he has not done this.

So, sir, I simply say again that in respect to the two clauses I mentioned we are asked to buy a pig in a poke and to pass something which has not been fully explained. We are put in the position of being charged with obstruction if we ask for further information, or ask for the adherence to an undertaking given by the Minister of Finance and to which he has not adhered. We are confronted with information which is not complete in so far as a careful consideration of the financial and other fiscal implications contained in the provisions of the bill are concerned.

Let me say at once I support this measure. I support any measure which will give to the student population of our northern areas in Canada the opportunity to progress along the road of equality which might eventually reach the level of the more settled areas of Canada. All costs are high in the north and education is not the least of these. With no colleges and no universities it becomes ever increasingly important that measures such as these receive the approval of Canadians everywhere.

Hon. Michael Starr (Ontario): Mr. Speaker, supporting as I do this bill which provides for youth allowances, commonly known as family allowances, to those aged 16 and 17 years, may I say I really had no intention of speaking to the measure on second reading. However because of the tirade of the Minister without Portfolio (Mr. Dupuis) a few moments ago when he tried to help the Minister of National Health and Welfare (Miss LaMarsh) to get second reading through as quickly as possible, I feel I should say a few words. I do not know what are the duties of the Minister without Portfolio in the cabinet, but my observations of his job leaves me to believe he is a hatchet man and a mimic. I must say at once that he excels in both these areas and his activities in these occupations suit him to a "t". After listening to his tirade this evening I can understand why he cannot be relied on to assume duties in the cabinet with a department portfolio. I imagine that if he keeps up this type of attitude he will remain a Minister without Portfolio for many years to come.

[Mr. Nielsen.]

Mr. Dupuis: Are you jealous?

Mr. Starr: Mr. Speaker, Bill No. C-108 is a natural and normal sequence in the educational program that was started in 1960 by the federal government, in co-operation with the provinces, the provinces being helped financially, as were the municipalities. Today we are discussing second reading of this youth allowances bill. There was no discussion at the resolution stage. It was agreed by all of us that the resolution should pass. This is a vital bill, vital to everyone. It was vital to the opposition some four or five weeks ago when we asked the government to get on with the legislation. But no, at that time the only thing which had to be passed was the flag resolution, and before all other legislation. Now all of a sudden after four changes of mind and reducing the list of essential business from 38 items to six, we reach this vital piece of legislation. Yet after no debate on the resolution what is the attitude of the government and the minister? They are impatient. They cannot stand debate in this house. They are so frantic to try to create a better image in the eyes of the people in the country that they cannot stand debate of any kind. Well, I cannot agree with this policy. As a member of parliament I have the right, I think, to debate any bill which comes before the house, and this one, important as it is, is one about which I wish to say a few words. They have no patience of any kind. They ask us to pass it right away and say they do not want any debate.

What is the reason for all this haste? Why is it that we have to pass everything in two or three days and—

Mr. Deputy Speaker: Order. I am afraid the hon. member is straying from the question now before the house. I would suggest to the hon. member that the question before the house at this time is not the order of business or the procedure followed by the government in presenting this resolution to the house, but a bill which bears No. C-108 and refers to the payment of youth allowances. I would respectfully suggest to the hon. member that he try to limit his comments to the contents of that bill.

Mr. Starr: I hear noises down in the corner, Mr. Speaker, and they are the ones who waste most of the time of this parliament. I was just saying that the reason I want to bring this out is that there is pressure on the part of the government now to try to hold back members from expressing their opinions, and when one tries to debate Bill C-108 providing for youth allowances, which is an important matter to the people of this country, they call it filibustering. I do not call it filibustering. I reserve the right that any member of this house has to speak as many times as the rules will permit on any subject under discussion in parliament.

After we took office we were shocked to find in 1959 that 70 per cent of the available jobs in Canada required skilled labour and only 30 per cent required unskilled labour. Because of the tremendous upsurge of industrial life in Europe at that time we were not able to get sufficient numbers of immigrants with the trades and skills we required in this country. Consequently we felt it was our obligation to provide a proper opportunity for Canadians to acquire the necessary trades and skills required in Canada.

When we approached the provinces regarding this problem, which is the proper way because education is under provincial jurisdiction, they agreed with us entirely but pointed out, that they did not have the facilities in which to train young Canadians to acquire these trades and skills. It was then that we launched a program to build facilities for the young people of this country. With the co-operation of the provinces and the municipalities we were able within two years to build a sufficient number of schools to provide some 139,000 student places each and every year.

We gave an incentive to the provinces, we gave an incentive to the municipalities and, as I pointed out earlier, it was only a natural consequence that an incentive was given to the young people of this country to complete their education because the 30 per cent of jobs requiring unskilled labour will diminish every year and the percentage of jobs requiring skilled labour will become larger and larger. So it is essential that the young people of this country remain in school to complete their education, not just remain in school two years longer but remain in school as long as necessary to complete their education in the particular skill or trade.

I doubt whether the provision in the bill for those aged 16 and 17 will be sufficient to provide an incentive. In most cases I think we are overlooking grade 13 and we should extend the incentive to those who are 18 so that they will be encouraged to continue at school. In my opinion the bill leaves a gap of one year. The incentive provided will carry on to the end of grade 12 but there will be a gap as far as grade 13 is concerned before they enter university where they will be able to get student loans which we hope will be brought before the house and passed.

These things are very essential in the life of our country, and no one can doubt that Canadians are adaptable when it comes to acquiring these trades and skills. No people in the world are more adaptable to education at this time than Canadians, and I have proven this through experience.

I should like to point out to the minister that there is no point in getting impatient about a debate of this kind and if she will possess herself in patience the bill will go through much sooner. If she will also restrain the hatchet man in the cabinet, who makes a speech and then walks out and leaves her holding the bag, she will be able to get the bill passed much sooner.

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I want to take this opportunity to make a few remarks on Bill No. C-108 now before us.

I very much approve of a legislation providing an allowance for our young people, not because it is particularly generous, but because it recognizes a principle which we, in this corner of the house, have advocated for a long time. Thus, the government admits the necessity and urgency of enabling our young people to attend school where they will get the necessary education to get on in life.

Yet, we have to realize that this legislation is but a faltering step towards education. The old line political parties have accustomed us to expect a somewhat reluctant step by step advance with regard to social legislation, though, of course, when there was a question of taxing the Canadian people they came running forth with giant steps. Yet, it must be admitted that this piece of legislation will make things easier for the young people and their parents who have to provide for their children, and it will increase opportunities for education.

However, as everybody knows and as several members stated tonight in this house, Canadians expect much more from the government with regard to the education of our young people. Today, when for the past ten years at least, we have been through a period of unemployment on a more or less catastrophical scale, our industries can clearly get along without our young people, thus enabling them to get a more thorough education according to their capacities and wishes in order to help them face a rapidly setting in automation. In this country, under our system, machinery is gradually playing a more important role and therefore employees, workers, the people operating those machines will have to have wider knowledge and increased ability in order to make them as efficient as possible and control them instead of being controlled by them.

This legislation to assist young people may make this a little easier, and that is what we want. However, we, on this side of the house—and I have personally asked for it time and time again—would have rather liked a more generous legislation enabling the parents to keep their children longer in school without depriving the other children in the family.

Considering the cost of education today and what it will be tomorrow, it is obvious that $10 a month is far from being enough; but I hope that this first step will enable the government to realize, through experience, that families need more money. This assistance to students, which I will call a salary, should be given as long as they are continuing their studies and should not stop at 18 years of age, as now provided by the act. We know that young people have to go to school longer than that to obtain the necessary education to face life's responsibilities.

Therefore, I would ask the government to consider the possibility of paying this salary as long as our young boys and girls are continuing their studies, and I suggest that this assistance should not be financed by new taxes on loans bearing interest, as will likely be the case for this legislation, because I say that the fact of permitting our youth to attend school for a longer period of time should not in any way deprive the remainder of the citizens of this country of their right to work.

Now, I believe that it is ridiculous and abnormal to compel bachelors and spinsters, or fathers and mothers after they have raised their family, to pay for the education of other people's children.

This is not logical, and the government should find another way to finance this salary to students without levying any new taxes or taking money where there is not enough right now, or without borrowing money bearing interest. The government should rather look to the Bank of Canada to find the money needed to finance this project.

Then I think that all Canadians would be satisfied to have legislation that would actually assist our youth and lead them towards a better future.

[*Text*]

Hon. Marcel Lambert (Edmonton West): There is one question upon which I should like clarification from the minister, and that deals with the particular case of students who are attending an institution at the present time. This may apply to other provinces as well, but I do know it does apply in the province of Alberta. If there is a child attending an institution as a ward of a public authority, that institution or authority will accumulate the normal allowance payable in respect of that child until the child leaves school. The child is entitled to draw upon this fund, under supervision, a certain amount every month for his own particular benefit because, after all, family allowances were designed for the furtherance of education and the benefit of the child.

In this particular instance the $10 allowance is made for the same purpose. While the act does speak of the parent being the person to whom the payment is made, the French version is a little different because it uses the words "père ou mère". Unless there is some explanation in the regulations that "père ou mère" may also be replaced by a person standing *in loco parentis*, that is the child as the ward of a public authority, I should like to know from the minister whether the $10 will be payable to some public authority or to the institution on behalf of the child. I

hope the minister is making a note of this particular point.

I know there have been difficulties in the past with regard to institutions accumulating these funds, placing them in deposit accounts and drawing the interest. This was a practice that existed in the past, and I hope it has been discontinued in so far as the earning of interest is concerned, because this money does not belong to the institution or the substitute parent. I do not want to discuss a particular clause, but there seems to be an exemption for the institution as defined in the regulation. There may be a logical explanation for all this and the minister, in her reply, may be able to clarify this particular point. The act should provide for the payment to the child age 16 to 18 without parents, either by reason of being an abandoned child or an orphan and who is under public care because that child is entitled to the same benefits as any other child under more fortunate circumstances. With that reservation or that question, I will await the minister's explanation.

Mr. Deputy Speaker: Is the house ready for the question? If the minister speaks now, she will close the debate.

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to take just a few minutes to ask the Minister of National Health and Welfare (Miss LaMarsh) why, instead of introducing a bill, she did not move an amendment to the existing Family Allowances Act, under which the government would pay a $10 monthly allowance to children in the 16 to 18 year old group?

To my mind, this would have been much simpler than to introduce new legislation; it would have been much simpler to move a few amendments to the existing legislation.

I should like the Minister of National Health and Welfare to give us the reasons why, instead of proposing one or two amendments to the existing legislation, she preferred introducing an entirely new piece of legislation to provide for the monthly $10 allowance.

That is the only question I wished to ask the Minister of National Health and Welfare.

[*Text*]

Mr. Deputy Speaker: Is the house ready for the question?

Mr. Lambert: I rise on a point of order, Mr. Speaker. With the greatest respect, the seconder is not present in the house.

Mr. Deputy Speaker: My understanding is that a minister does not have to be in the house if he was in the house when the motion was moved previously.

Mr. Grafftey: Is the hon. lady not going to close the debate?

Miss LaMarsh: I thought it might be more pertinent if I answered individual questions on the particular sections of the bill when we are in committee, since reference has been made to certain sections. I thought the debate would flow a little more evenly if I answered those questions in committee.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. Monteith: I think the minister intimated this afternoon that it was going to cost approximately $27 million to March 31 next if this were enforced by September 1. Was that with any payment to Quebec or without?

I realize this is going to take quite a deal of mechanical administration. Does the minister envisage any increase in the present staff? I realize a lot of new applications will have to be dealt with during the intervening period if, as was mentioned earlier, this becomes operative by September 1.

I would like some clarification of the actual cost. There must be some figures available regarding the amount of payment to Quebec. I understand the Quebec legislature has agreed to increase its applicable period from 10 months of the year to 12 months, in order to coincide with the federal legislation, and I would like to have some estimate of the cost for a full year, say from April 1, 1965, to March 31, 1966 when the scheme will be operated on a 12 month basis in Quebec. I would also like an estimate of the total cost during a full year in the rest of Canada.

Miss LaMarsh: As I informed the house, the cost is about $27 million. To be more precise it is $26,250,000 for the remaining seven months of 1964-65. And for the province of Quebec for the same period it would be $9 million. For a full 12 month period, 1965 to 1966, it will be $16 million. In other words it is a total for all of Canada of $35,250,000 for seven months and $61 million for a full 12 month period.

My hon. friend suggested earlier that the scheme should include the 18 year olds. The

reason for ceasing the allowance at the age of 18 is that in some provinces this is the age at which young people begin to vote and take responsibility as adults. It will be appreciated that each year adds a cost of roughly $30 million.

With respect to the question posed by my honourable predecessor, and others, as to the number of individuals who might be required to administer this legislation, it was suggested that a whole new staff would be required, but the existing division of family allowances and old age security is expected to administer the program through its 10 regional offices. This is a program that does not apply to everyone. It is one the application of which is for those who find themselves qualified, and the estimate of additional staff required is 75 to 100 employees who will be spread across the country.

Mr. Grafftey: I have already made known my opinion to the minister that the best way of proceeding would be simply to extend the provisions of the Family Allowances Act and then subsequently taxation arrangements could be made, specifically with the province of Quebec. Was this method of procedure considered, and at what point did the minister and the government decide to proceed in the manner in which we are proceeding now, introducing this type of bill and then having the Minister of Finance introduce changes as outlined under resolution 61 on the order paper?

This afternoon I also mentioned that in my opinion the only time when family allowances in respect of children could not be paid was when children are not at school and they should be at school. I understand there are some very detailed residential requirements and I would like the minister to answer these two queries.

Miss LaMarsh: My hon. friend and other hon. members have suggested amendments to the Family Allowances Act, but I would draw to the attention of the committee that there are a number of substantial differences between the matters dealt with by the family allowances legislation and this legislation. It should be borne in mind that the family allowances legislation is available to every child resident in Canada up to age 16. This is not the case with youth allowances. These are available to a restricted group of people, many of whom are not compulsorily required to attend school. As I have pointed out the school leaving ages are 14, 15 and 16 years for the various provinces. Furthermore, a number of these people are already employed and do not qualify.

In addition we have dealt in this legislation with the payment of allowances for the summer months. If members of the committee will think about the problem for a few minutes they will realize there is considerably more involved than the matter of paying family allowances by simply continuing those allowances to the higher age groups. Schools, at least in the provinces with which I am familiar, normally operate until some time in the month of June. Universities may close in April or May. In other provinces other months are occupied. This is legislation which we hope, through the 10 regional offices, will be operated in an identical way regardless of what the school year may be. Remember that under the regulations schools and universities will encompass very different kinds of institutions.

Therefore in order to satisfy the Auditor General that parliament's wishes are met in the way the legislation is administered, it will be necessary to delay the payment of summer benefits until the fall when it is established that the young persons have returned to school, and at that stage they will catch up with the summer payments. In some cases with those who leave early in the spring, payments will continue, provided it is not the year in which they are expected to graduate.

Earlier my hon. friend suggested that family allowances were universal in application except for the restriction of the residential qualification. This is true, but rather an important qualification; and then of course there is the condition that the child stays on in school. But the two types of legislation, family allowances and youth allowances, are different in purpose to some degree, and very different in application. However it will be noticed by members of the committee that in drawing the legislation the draftsmen have tried—with the experience of family allowances, which is now 13 or 14 years old—to adopt the phraseology, and benefit from the experience which has already been obtained under family allowances legislation.

It will be noted that we are able to provide for an individual who applies late, possibly because he or she has not heard about these benefits. They can obtain back payments for a period. That is not permitted under the legislation governing family allowances as it

now stands. We have gone further here because we believe it might well be possible that individual parents would not be aware they were entitled to these benefits, and we feel they should not lose them in the circumstances.

Perhaps I could answer on clause 1 some of the other questions which have been asked. The hon. member for Ontario suggested there was a gap existing under this legislation and that students were not covered between the time they left grade 12 and the time they entered university, at which time it is expected that they, the students, will be able to apply for and obtain university loans under forthcoming legislation. In my opinion the hon. member is speaking of Ontario when he talks about grades 12 and 13. It should be borne in mind that in many provinces a child is 17 when he or she completes the first year in university. So in fact there is no gap. This is simply an age limit. It has no reference to attendance at a university or a school.

Mr. Starr: Would the minister not think it advisable to take care of the situation in provinces such as Ontario which do have these particular levels in their schools? Does she not think there should be a provision somewhere in the bill to apply exclusively to those provinces where high schools have a grade 13?

Miss LaMarsh: I would not want the hon. member to draw the erroneous conclusion that students up to the age of 18 in Ontario cannot fully comply. Whether they are in schools or universities they are entitled to this benefit. The hon. gentleman earlier seemed to equate entering a university with the end of the period for which this allowance is permitted. If in fact a child enters university at 16 or 17 he or she would of course continue to be eligible until the age of 18.

Mr. Starr: If there are eight grades in a public school and a child begins school at the age of six he would normally graduate at the age of 13 to high school. Then there are five years to be spent in high school, which takes him to the end of his eighteenth year. It is at this point he would normally enter university.

Miss LaMarsh: It by no means follows. I graduated from high school at the age of 17.

Mr. Starr: I am not as bright as the minister is, but certainly—

Mr. Lambert: On this very point, I would draw to the hon. lady's attention the fact that today many children transfer from schools in one province to schools in another. For example one of my sons came from Alberta where there is a 12 year pattern to a province where there is a 13 year pattern and whether he is as bright as the hon. lady or not, the years are against him and he will be 19 by the time he graduates. I am not necessarily worried about the $10 but I am thinking of the principle involved. An automatic cut-off is imposed by this legislation. Some students will be attending high school, either in grade 13 or in order to repeat grade 12. Let us not say this legislation is covering all high school students, because that is not the case.

I wish to raise another point having to do with students attending Collège Militaire Royal either from the maritime provinces or in Quebec and Ontario—those who enter the junior matriculation pattern. One might expect that they would attend school at a younger age. They will be educated to junior matriculation level entirely at public expense, save perhaps for 15 per cent who may enter at the expense of their own parents. Is collège militaire to be an excepted institution? I ask this because it appears somewhat odd that a $10 allowance should be made available on behalf of a student who in any event, is entirely supported by the federal government.

Miss LaMarsh: The two hon. members who have just spoken have been discussing the differences between education systems in the various provinces. It is for this very reason that an age cut-off date has been chosen. It has been done in order to smooth out the differences which exist across the country. The bill does not propose taking any child to a specific level of education, only to a specific age, namely the eighteenth birthday.

With respect to the point raised by the hon. member for Edmonton West, the legislation indicates that the parent who maintains a child—perhaps I should say the individual who receives the amount—shall include, as far as the bill is concerned, an agency or corporate body such as a child placing agency or children's aid society. However the regulations will exclude the institutions themselves. In other words, if a child is maintained by an institution the institution will not be in receipt of these allowances, but if a child is placed in an institution and maintained by an agency or an actual person the allowance will be paid. I am informed that the definition in the regulations will be:

An orphanage, a children's home, a shelter, refuge or other building, not being a private residence

or building, in which children are cared for apart from their parents.

Those are the institutions which will be excluded.

As to the situation in collèges militaires, I am informed that such colleges will not be excepted. They will be included in the definition as schools or universities, so any child in a college which falls into this category will have the benefit of the allowance if maintained by the parents, not if maintained by the state.

Mr. Starr: In view of what the minister has said about the efforts of the government and officials to smooth things out, as she put it, perhaps I may be allowed to wonder how much smoothing out will be achieved, because in Ontario a normal child of average intelligence usually does not graduate until he or she reaches the age of 19, or at least after reaching the age of 18. In these circumstances I wonder whether the minister would not consider making at least one concession to Ontario by extending these provisions to the end of the eighteenth year so as to provide an incentive to school attendance until education is complete. I say this because completing grade 12 in certain instances does not amount to a complete education. I understand that children cannot enter some of our universities if they have not completed their year in grade 13. Why not extend this age limit, and by so doing make at least one concession in this session of parliament to the province of Ontario?

Miss LaMarsh: Perhaps I might continue to answer some of the questions which have been asked. The hon. member for Wetaskiwin has I think been answered. The hon. member for Yukon raised a point which caused me some concern. He asked whether the provinces, as referred to in clause 2, are defined widely enough to include the territories. It is understandable that the hon. member should call attention to the needs of his particular constituency and I have consulted the law officers of the department who inform me that the Interpretation Act defines "provinces" sufficiently widely as to include both the Yukon and the Northwest Territories. So no such worry need agitate the hon. gentleman. Further, Mr. Chairman, the fact that there is no university, college or institution of higher learning of that type within the two territories does not, of course, mean anything with respect to this legislation, in that individual children who attend such institutions elsewhere are still covered and will be receiving this allowance.

Mr. Nielsen: Mr. Chairman, I have just one brief question to follow up that point. It is the only question I will have this evening for the minister. Many students in the Yukon attend the University of Alaska because it is less expensive. Would the provision be applicable to those students attending an institution in the United States?

Miss LaMarsh: Considerable attention was given to this question because, as is known, Canada does not provide a full range of university or scholastic education, even taking into consideration all ten provinces. All trades and professions are not covered by our universities. For that reason the legislation is drawn as meaning, and will be interpreted to include, any child within the age limit taking any such education anywhere, so long as that child's parent is resident in Canada.

Mr. Olson: Mr. Chairman, I wanted to ask the minister about this question of the effective date. This afternoon she mentioned that she hoped the bill would be passed in time for the effective date of this legislation to be September 1, 1964. She realizes, I am sure, that it is now July 7, and even if this bill passes this house it must go to the other place and must then receive royal assent. In addition there are a number of other procedures that it must go through before it is law. The minister will realize, I am sure, that in going through all these procedures probably most of July will have gone before the bill becomes an act and part of the statutes of Canada. Therefore I want to ask her about the retroactive part of the bill, upon which she touched very briefly.

I am sure she realizes that in the next 30 or 40 days, which is all that is left between the time this bill will become law and September 1, a great many people will be away on holidays. There is also the matter of giving this problem sufficient publicity so that the parents of children in this age group will know about it. Then there is the problem of distributing application forms; and I am sure that in any new departure of this kind there will be some administrative problems, particularly in informing the public as to where to apply, how to apply, and so on. In addition there may even be a number of problems respecting proof of age for some of these young people, particularly if they are new Canadians from some other country and do not have their birth certificates. And there

are all the other inherent problems in embarking upon a new program.

Therefore, Mr. Chairman, I wonder whether the minister would explain a little more fully what she meant by retroactive in this connection. Further, is there going to be a protracted date, if I may call it that, to perhaps November 1 or even December? That is to say, with respect to all applications that are received and approved by November or December with regard to these young people, will there be retroactive payments to September 1? The minister touched briefly on this question in her remarks, and I am wondering whether she can tell us how much time will be allowed for these retroactive payments. Perhaps she will also say whether there will be some special regulations or circumstances taken into account to get this program started, in view of the short time remaining between now and the beginning of the school year.

Miss LaMarsh: Mr. Chairman, hon. members will be interested in the type of thing that has to be done in the time left between the passage of this legislation and the making of the first payment. All this of course is conditional upon passage by both houses, and royal assent. In addition to regulations having been drafted, a notice has been prepared which, subject to the passage of this legislation by parliament, will be mailed out to all parents who have children who will qualify either in August or September in particular. The names of these individuals come to us from our family allowance records, and hon. members will realize that we will have the lists of those moving into this age bracket. This is a bilingual notice and it will be sent out to all such parents. It will give the details of this program. This notice, or letter, will be mailed with the August cheques. In addition there will be sent a bilingual application form which any parent who believes that his or her child qualifies under the definitions in the act will be asked to complete and return. There will be enclosed a self-addressed envelope which will be addressed to the nearest regional director, in which the completed application should be enclosed. That will be done in August, presupposing the passage of this legislation and royal assent.

This will enable payments to begin in the month of September. When I told the committee that 12 months are being allowed to pick up past payments which are due, I meant that this will be done without fetters of any kind. If individuals are absent from the country or have not heard of the legislation, they will be able to go to August of 1965, make their application, and still collect the payment for 12 months back, for each month that the child qualifies. Therefore if someone misses noticing this legislation in August—though this is hardly likely, because they will receive their cheque and read about this legislation then—and does not apply, for instance in September, October or November, the child will lose no benefit whatsoever, provided the parent or individual who maintains the child makes application at a subsequent time. In that event we will date the payments back to the date on which the child qualified; that is to say, up to September 1, 1964. Therefore the child should not in any way lose any benefit.

Although this is a new and rather complicated piece of legislation in that it is selective in its application to those who may qualify, we have allowed 12 months to catch up on any tag ends or on anyone who may not have heard of the legislation. In addition, Mr. Chairman, there will be a rather substantial publicity campaign, so that everybody should know about this program.

Mr. Douglas: Mr. Chairman, I think the minister will catch a very large number of these cases by the process she has outlined with regard to the sending out of application forms with the August cheques. But there will be some young people who will of necessity be missed. I refer to young people who are now 17, or are just coming to their 17th birthday and have been off family allowance for eight, ten or more months.

Where will application forms be available? Will they be available in the post offices? It seems to me there would be some value in having some publicity go out saying that application forms may be secured at the post office or some other prearranged place of that sort, so that parents could obtain these application forms at an early date.

Miss LaMarsh: This information is already available, as hon. members will appreciate, in the department because they keep records in the family allowance division of each child as he or she comes of age and ceases to draw family allowance. I am informed by the director that there will be a direct mailing to the parent of each of these children who have already passed the age of 16, and they will be informed of this program themselves. Obviously there will be some who have left the country, who perhaps have died, or have moved and we do not know of the changed

circumstances. I am informed that at the moment it is intended that the regional offices will hold these application forms, in the way that many of them now hold old age pension application forms.

If it becomes obvious that a large number of people are writing for these forms, then of course we will make them available in public buildings, as has been suggested. But we will have a very large publicity campaign and hope to bring this program to the attention of everyone interested. In addition, Mr. Chairman, this is a rather popular measure, I suggest to members of the committee, and one which is likely to be talked about quite often by the body politic.

Mr. Douglas: Mr. Chairman, could I ask the minister what provision there will be for young people whose 18th birthday comes in the middle of the school year. Will this allowance continue to the end of the school year, irrespective of the fact that they may have already had their 18th birthday?

Miss LaMarsh: These students will be very much in the position of those of us who went to university under the veterans charter. When they reach the age of 18, that will be the last month in which they will receive a cheque.

Mr. Douglas: One other question. I understood the minister to give the committee earlier the amount of money which would be paid to reimburse the province of Quebec by virtue of the fact that it is carrying on its own program. On what basis will these amounts be paid? Will it be the exact amount which the province of Quebec has paid out in youth allowances each fiscal year? In view of the fact that the amount and the basis on which the payments will be made will be identical in Quebec and in the rest of Canada, it seems to me this would be the simplest way of doing it.

Mr. Gordon: Mr. Chairman, my colleague has asked me to answer that. The payments will be exactly the same. The province of Quebec will be reimbursed for the amount they pay out in this way.

Mr. Douglas: They will simply submit the amount they have paid out quarterly, or semi-annually, or on some basis, and the federal government will reimburse them for the exact amount paid out?

Mr. Gordon: I should say that the basis of compensation will be proposed in the federal-provincial fiscal relations revision legislation which is the next item on the agenda, and I would ask permission to explain the basis at that time. But essentially what the hon. member has said is correct.

Mr. Douglas: Then that is quite satisfactory.

Mr. Weichel: Mr. Chairman, I am thinking along the same lines as the hon. member for Edmonton West and the hon. member for Ontario with regard to changing this bill so as to cover children until the end of their 18th birthday. If I may give my reasons for saying this, students in grade 13 can be 18 or 19 years of age and will not be covered at the present time. My thought here is that in many cases we find children taking two years to go through grade 13 and probably they will reach 19 years of age in so doing. Therefore I would ask that that matter be taken into consideration.

Mr. Monteith: Mr. Chairman, the Minister of Finance just stated that the next order of business is the federal-provincial fiscal revision item, and I am hoping that nothing which is said on this bill will be ruled out of order when we get to that particular resolution. In other words, nothing said now will preclude us from arguing our point at that time, if there is anything to argue. After all, the minister did undertake to present all these pieces of legislation together.

Mr. Gordon: I am sure that would be satisfactory, if there is anything to argue when we come to the next piece of legislation.

Mr. Olson: Mr. Chairman, there is a question I want to ask which relates to an answer given by the minister. She said she was informed by the director that they would search the files in the family allowances division and mail to each child in the records an application form if they had passed their 16th birthday. If that is correct, there must obviously be a number of parents—I am not going to suggest how many—who will not be receiving any family allowance cheque for the month of August and yet have a child or children between the ages of 16 and 18.

Miss LaMarsh: Mr. Chairman, this is going to be a separate mailing. There may be a feeling that there is a big daddy looking after them every year and paying them a family allowance based on a list some place, but nevertheless a list has already been compiled and their parents will shortly receive a letter notwithstanding the fact they are not receiv-

ing a cheque. There will be a separate mailing during the month of August to advise them of this.

Mr. Herridge: Mr. Chairman, I was interested in the remarks of the minister with respect to notification to those who have been drawing family allowances. I have found in light of previous experience regarding agricultural or veterans legislation that in the smaller places it is often the case that people fail to realize they can take advantage of certain legislation designed to meet certain circumstances. Would the minister give consideration to seeking the co-operation of women's groups throughout the country, particularly with respect to smaller communities? I am thinking of the provincial headquarters of women's institutes, for instance. If they were informed of the details of this legislation I am sure they would undertake to notify all their locals, particularly in smaller communities. I have found that sort of co-operation very worthwhile. When I have wanted to get information and publicity I have always found I could depend on women to do this, especially those with children.

Miss LaMarsh: And I hope my hon. friend will depend on this woman to do so.

Clause agreed to.

On clause 2—*Definitions.*

Mr. Lambert: Mr. Chairman, with regard to paragraph (c), which defines "dependant youth", under the Family Allowances Act a child must be resident in this country for 12 months before an allowance is paid. Under Department of Citizenship and Immigration legislation an allowance in lieu of family allowance is paid for the first 12 months period to the child of a person or a family landed as an immigrant. Is there any similar provision under this act or the regulations, or under the interpretation of the regulations, whereby this may be done, or do we have to sort of twist the arm of the Minister of Citizenship and Immigration in this regard? I ask this question because I admit that under this act the interpretation is "a child resident in this country." Will the child be deemed to be resident from the date of landing as an immigrant?

Miss LaMarsh: Mr. Chairman, I am informed that this payment will be available to children who qualify with respect to age and attend school permanently from the date they arrive and become resident in the country. We have already been in touch with the department of immigration so we will have their assistance in advising women parents of the benefits to which their children are entitled so that they can apply forthwith. So far as this act is concerned, we will also have recourse, I understand, to the records of assistance paid by the immigration department in order to seek out children who have not yet qualified for family allowance.

Mr. Monteith: I should like to ask the minister a question in relation to clause 2 (h), which says:

> "province providing schooling allowances" means a province prescribed by a regulation made on the recommendation of the minister for the purposes of this act as a province in which provision is made, pursuant to any law of the province enacted before the coming into force of this act—

Does this mean that while at the moment these particular arrangements can be made with the province of Quebec, any other province is excluded in the future from handling the thing in the same way?

Miss LaMarsh: Yes, Mr. Chairman. I think it is clear from this legislation that it is open to any province up until the time that royal assent is given to this legislation to enact similar legislation. At the moment I know of only one province with similar legislation. While we have no indication that this is likely to happen in any other province, it cannot happen after royal assent is given to this legislation.

Mr. Lambert: In other words, the principle of opting out shall not apply to this act?

Miss LaMarsh: No.

Mr. Olson: Mr. Chairman, paragraph (d) says:

> "maintain" means maintains wholly or substantially and "substantially" has such meaning as may be prescribed;

Could the minister inform this committee what is meant by " 'substantially' has such meaning as may be prescribed"? I understand that this will be written into the regulations, but can she inform the committee what is the thinking of the department at this time with regard to the use of the word "substantially"?

Miss LaMarsh: Draft regulations have been prepared and are similar to the family allowance regulations. A parent maintains a dependant youth substantially if the value of the contribution made by the parent in cash or otherwise for the care, maintenance, education or advancement of the youth is $5 or more per month exclusive of the allowance and such value exceeds the value of the

contribution for such purpose made by any other person who has applied for the allowance.

Mr. Thomas: There is another question with regard to paragraph (h) of clause 2. Would the minister agree that paragraph (h) provides a special privilege for the province of Quebec for all time to come?

Miss LaMarsh: Only perhaps if no other province takes advantage of it. I do not think it is a special privilege since identical provisions are available to all children of the same age and the same attendance at school anywhere in Canada. I am of the opinion that members of the committee generally are concerned with the benefit which is passed on to our youth and not with such technical matters. It happens that the province of Quebec is the only province that has brought in such legislation. I understand its legislation has been in effect since 1961. It might very well have been any other province and it might well be that the territories or some other province might call together a special meeting of their legislature and enact such legislation. If so, that province will then qualify, of course.

Mr. Olson: I should like to ask the minister if she does not think that the principle she has just enunciated should apply to other acts that her department administers as well?

Miss LaMarsh: We are only dealing in the welfare field at the moment with this particular piece of legislation. However, I have some idea of what my hon. friend is referring to.

Mr. Alkenbrack: I have a question for the minister. I had an inquiry from the parents of a retarded youth who is 17 years of age and is in a school for retarded children. Will the allowance be paid in such cases?

Miss LaMarsh: If the child is maintained by its parent the allowance will be paid.

Mr. Alkenbrack: Will it continue to be paid when the boy reaches 18 years of age or will the allowance stop when he reaches his 18th birthday, as the minister said a few minutes ago?

Miss LaMarsh: As I pointed out on second reading, this allowance stops at age 18 regardless of whether the child would otherwise qualify, but a retarded or disabled child would then be able to apply through the provincial authorities under the shared cost program for a disabled person's allowance which, as the hon. member knows, is considerably larger than $10 per month.

Mr. Rapp: Mr. Chairman, under paragraph (i) of clause 2 school or university is defined. What will be the situation with regard to students taking business courses, typing and so on, after they have finished grade 10, let us say, in business schools where such courses are provided? Are such institutions included under the definition in paragraph (i)?

Miss LaMarsh: Mr. Chairman, if the child is in full-time attendance at such a school which will upgrade skills, payment will then be made to the parent. It may be that members of the committee might wish to know the proposed method of dealing with this. The regulations as presently contemplated will exclude by defining "excepted educational institutions" and will not try to include everything in a long list. The suggested phraseology is to this effect: "Excepted educational institution" referred to in paragraph (i) of section 2 of the act means a school, university or educational institution that does not provide training or instruction of an educational, vocational or technical nature to improve the qualifications of dependant youth for employment or a career or for carrying on or engaging in a trade, business, profession or occupation.

Mr. Aiken: Mr. Chairman, I should like to ask the minister about the definition of the word "parent". As I understand the situation, under the Family Allowances Act the parent is the mother of the child unless there is some reason for payment to the father. Is the definition of "parent" included in this legislation intended to bring about the same result?

Miss LaMarsh: Yes, Mr. Chairman. It is intended that the cheque will be payable to the mother. As a lawyer my hon. friend knows that there are many cases where payment is not made to the mother but to an alternative parent, and exactly the same procedure will be followed under this legislation.

Mr. Nesbitt: I have a question I should like to ask the minister. I am not sure whether her answer covered the question asked by the hon. member for Humboldt-Melfort-Tisdale. With regard to students taking courses at private schools and institutions where they learn certain technical skills such as typing, office routine and so on, is it the intention of the minister to include business colleges of that type under the definition of "school"?

Miss LaMarsh: Yes. I read the proposed legislation and they are included. The criterion is that attendance be full-time.

Mr. Nesbitt: As long as they are attending full-time?

Miss LaMarsh: Yes.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I think that full-time students only are eligible for family allowances. However, there are many Canadian students in the various provinces attending night classes and taking four years to complete their studies instead of two or three. If those students are attending evening classes it is because, obviously, they cannot afford to follow the regular day course.

Now, when schools or universities giving such evening courses are recognized by the provinces, I wonder if the act could not be amended so as to permit such students to receive family allowances. That would surely encourage students who cannot afford to follow the regular day course to continue and complete their studies. Should the minister take such steps, I believe she would indirectly help such students to improve their education.

I also wonder what amount of money the Canadian government would have to spend annually for that purpose?

[*Text*]

Miss LaMarsh: Mr. Chairman, as I pointed out in my remarks on second reading, this legislation is not to cover employed children in the two years with which we are concerned. The purpose is to enable children to stay in school or to go back to school if they have left. My hon. friend is dealing with a young person who is employed during the day and goes to night school and such a person will not qualify. Night schools are not included. This covers full-time attendance in lieu of employment. It is anticipated that the young adults to whom he refers would have to have recourse to legislation already enacted by the Department of Labour.

Clause agreed to.

On clause 3—*Monthly allowance.*

Mr. Knowles: May I ask the minister, under clause 3, on what date of the month these cheques will be payable?

Miss LaMarsh: I am informed the cheques will be dated the last day of each month.

Mr. Ricard: I should like to ask the minister if the cheques will be issued directly from Ottawa or if they will be handled by the provincial authorities?

Miss LaMarsh: In so far as the provinces to which the legislation, when it receives royal assent, applies the cheques will be sent out from the regional offices. There was some suggestion that I may be able to place my picture and signature on these cheques, but my colleagues decided they would prefer they go out in the normal way without such embellishment.

Clause agreed to.

Clause 4 agreed to.

On clause 5—*How allowance to be applied.*

Mr. Monteith: I have a question on this clause. I am assuming that subclause 2(a) means when a person ceases to be a parent as defined by the act and this simply means if they move to Quebec?

Miss LaMarsh: No, when they cease to be a parent means either cease to support the child or cease to be in Canada or in a province to which the act applies.

Mr. Monteith: If they move to Quebec.

Miss LaMarsh: They may move to Europe, the United States or any other place or they may cease to maintain the child, such as a deserted mother, or the mother may die.

Mr. Monteith: Then, subclause 3, can the minister give a brief explanation as to how she expects this responsibility to reflect on the parent in notifying when the allowance ceases to be payable?

Miss LaMarsh: As will be seen in subclause 3 the parent must advise us, so obviously a deceased parent cannot do so. I am informed, however, that we have recourse to the Vital Statistics Act for those who die and such information is checked in the normal manner with regard to family allowances. The same checking procedure would take place. It is anticipated also that on the reverse side of the cheque will appear a warning to the parent, together with a certification where the signature is to be placed for endorsement of the cheque, that the child qualifies. This declaration will, month by month, bring to the attention of the parents that it is an offence to make a false declaration. It may very well be that there will be some few individuals who will be caught in the normal checking procedure, as there are in connection with old age allowances and

all other allowances with which my friend had several years experience.

However everything is being done under the regulations and within the act in order to prevent most unfortunate circumstances where, by error, a parent who is no longer qualified continues to receive and cash cheques, and then subsequently the department could come along and ask for repayment.

Mr. Monteith: That is all I am concerned about.

Mr. Cantelon: Then, I take it that clause 5(b) means that the dependant who graduates from high school at 17 years and 8 months will then stop drawing allowance, is that correct?

Miss LaMarsh: Yes, the hon. member is correct, or the child might die or move outside the country or his parents may move outside the country. If the child, let us say, is physically or mentally handicapped, but is suddenly cured and does not go to school or university, he would no longer qualify.

Mr. Cantelon: If three months later he goes to a university, what happens then?

Miss LaMarsh: Provided he has not reached his 18th birthday, he reapplies and is reinstated.

Mr. Cantelon: He would not then get any allowance for the three months between the time he graduates from grade 12 and the time he starts university.

Miss LaMarsh: If this were a break between courses and not an unnatural break then he would be paid for the intervening months. If for instance he stopped in the middle of a year, went to work for a couple of months and then came back, it will be appreciated by members of the committee he would not be reimbursed for the months in which he, himself, broke his education.

Mr. Cantelon: That is not the situation I had in mind. Most of these children would have to wait until they got the results of their grade 12 examinations before they could be sure they would be attending university. There would be no break in their minds, but there may be some question as to whether they were or were not qualified to collect the $10 per month.

Miss LaMarsh: As was pointed out, we have borne this in mind and clause 6 deals with it specifically. The child cannot lose because he can apply for and receive retroactive payments at any time up to a year.

Mr. Cantelon: I have one other comment to make. Members from Ontario have pointed out that children attending grade 13 would not graduate at age 18 and would be unable to continue drawing this allowance. I think it should be understood that there are no provinces in Canada where the average student would graduate at age 17. As I pointed out earlier this evening this can be verified by a little simple arithmetic. Most children start school at age 6 and they go into grade 1 at age 7. If you add 12 grades to age 6, you will find that in grade 12 a student will be 18 years of age. I believe it would cost very little extra money if we were to continue the policy that has been applied so as to stop paying the allowance once the student graduates. The total cost would not be increased by 50 per cent. The increase would be comparatively small—I should not say "comparatively small", but it would not be the 50 per cent which might appear to be at first glance.

Mr. Aiken: My question is based on subclause (1) of clause 5 as it is read in conjunction with clause 12. I should like to ask the minister if she really has any hope whatever of enforcing subclause (1) of clause 5 which provides that the allowance payable to the parent shall be applied exclusively for the care, education or advancement of the child. I can see where there may be some cases in which parents receive allowances and do not use them in the proper manner for the maintenance of the child. I can see where there may be a situation in which the department might want to suspend the allowance or even go so far as to prosecute the parent.

In looking at clause 12, however, which is the penalty section, I find there is no penalty provided for a situation of this kind. Subclause (1) of clause 5 therefore seems to me to be an absolutely useless clause. It is a declaration of intention but it is not enforceable in any way. I wonder what real advantage there is in having it there?

Miss LaMarsh: Yes, Mr. Chairman, this was one of the things that bothered me when I first saw the draft legislation. It will be appreciated that this is an identical provision to that which is in the Family Allowances Act. There has been a wealth of experience in this matter in which it is found there is a miniscule amount which is diverted away from benefit of the child.

It would be extremely rare if in fact a prosecution were contemplated at all. If I

may make a personal remark to my hon. friend, there is no doubt this is the reason the amounts are paid to the mother because she would have somewhat more interest in applying the payments for the care and education of the children. Experience has been extremely good with the Family Allowances Act. Canadians appreciate the purpose of this legislation and act within the law accordingly.

Mr. Aiken: Is there anything in the remaining clauses or regulations which would permit the department to take any action whatever, if it found this was not being followed? Can the allowance be suspended in a case where the parent is not using the money for the purpose intended?

Miss LaMarsh: Yes. It is not contemplated there would be a prosecution, but the same kind of practice would be followed as in family allowances, that is, an alternative payee would be named so that a responsible person would see that the money went for the care and education of the child.

Mr. Knowles: Would the minister satisfy a legitimate curiosity about one aspect of the wording of this bill. I have before me a French version of the bill and with a certain amount of interest I have been comparing it with the English version. I notice in every place where the words "a parent" appear in the English version the words in French are "un père ou une mère". Is this just a refinement in translation or is there some legal distinction? I will be very curious as to what French *Hansard* will be doing tomorrow. The minister has used the phrase "a parent" quite often and I wonder what translation will be given to this in *Hansard*.

Miss LaMarsh: I am informed that while there is a "parent" in French the "père ou mère" which appears in brackets as one word is intended to carry the same definition, that it is intended to include an actual mother or father, as a literal definition would be, or anyone who stands *in loco parentis*.

Clause agreed to.

On clause 7—*Allowance not subject to taxation or to be assigned or given as security.*

Mr. Rapp: The allowance is not subject to taxation, but are parents allowed to get this exemption of $550, or what they are getting for other students?

Miss LaMarsh: The parent is entitled to this $550 exemption.

Clause agreed to.

On clause 9—*Appeals.*

Mr. Herridge: With respect to subclause (2) would the minister explain what the government has in mind in stating that:

> The provisions of the Family Allowances Act and the regulations thereunder with respect to appeals under that act apply *mutatis mutandis* with respect to appeals under this act.

Are they going to use the same authorities, procedures and persons?

Miss LaMarsh: I am informed that appeals are very rare in the Family Allowances Act but, where required, particular boards are set up. I cannot say necessarily they will be the same personnel but the identical procedure will be followed. I am sure my hon. friend knows *mutatis mutandis* means to apply it as though they were exactly one act.

Clause agreed to.

On clause 10—*Regulations.*

[*Translation*]

Mr. Grégoire: Mr. Chairman, I should just like to stress one point in this connection. When section 4 dealing with application for allowances was carried a few minutes ago, I was not in the house, unfortunately, because I had to attend a meeting elsewhere.

Could I come back to that point at this stage, that is during consideration of section 10, because I should like to get some information from the minister?

If a father or a mother who is entitled to the allowances fails to submit an application on time because he or she has forgotten or because he or she is not familiar with this legislation, would the minister be empowered to authorize the payment of the allowance to which such a person would be entitled even if the application has not been submitted on time?

[*Text*]

Miss LaMarsh: Yes, as I have explained a number of times it is not discretionary under the act. The parent has a right to go back up to 12 months, so that there is no loss.

[*Translation*]

Mr. Grégoire: Mr. Chairman, to make sure about the answer just given by the minister,

should the father or mother forget to make application and if the child had reached the age of 16 ten months before, could the father or mother then receive the allowances for those ten months? Is that correct according to the answer given by the minister?

Miss LaMarsh: Yes, Mr. Chairman.

[*Text*]

Mr. Barnett: Could the minister clarify what the thinking is in respect to the regulations under paragraph (e) which sets out the definition of residence in Canada, particularly as to the kind of absences that will be allowed so that continuity of residence will not be interrupted?

Miss LaMarsh: The definition which is presently contemplated is that a parent is resident in a province of Canada, other than a prescribed province, if he is normally physically present and is living and making his home in that province, and intervals of absence therefrom that are of a temporary nature and not associated with residence outside Canada shall be deemed not to interrupt the continuity of that residence. The purpose is that those who go away from our shores on a permanent basis will not be qualified, but if someone goes away temporarily on a job or for a visit he will not be disqualified.

[*Translation*]

Mr. Grégoire: Mr. Chairman, with all those regulations, I wonder if the minister could not also include one instructing the officials responsible for the administration of the Family Allowances Act that, three months before the end of family allowances prior to the age of 16, a notice should be attached to the cheque to remind parents that application must be made if they want to benefit from the new legislation?

[*Text*]

Miss LaMarsh: When every child who is in receipt of family allowance reaches the age of 16 an application form will be sent out, so that we are not concerned, as the act goes into operation, that we will be losing anybody at all. As the whole program goes into effect and continues over the years it will be as well known as are family allowances, and people will automatically apply for these allowances.

It seems that some difficulty has arisen due to a difference in meaning of the word "parents" in the French and English languages. I hesitate to accept responsibility for what I am about to say—I have not asked the Minister of Justice about it—but in the opinion of a fluently bilingual member of this committee the term "parent" in French includes all blood relations such as uncles and cousins, whereas in English of course it is restricted to the mother and the father. I am now informed that this is correct.

Mr. Starr: Would any applicant for these allowances from the province of Quebec have to comply with the terms of this bill or the regulations made under them?

Miss LaMarsh: No.

Clause agreed to.

On clause 11—*Authority to enter into arrangements.*

[*Translation*]

Mr. Ricard: It might be better for me to speak French.

May I ask the Minister of Justice whether in clause 11, paragraph (a), in the French version, instead of the word "quelque", we should not use the word "tout" to translate the word "any", so that the paragraph would read: "Conclure avec 'tout' ministère", instead of "avec 'quelque' ministère".

Mr. Favreau: I do not think that it would make much difference because, in my opinion, the word "quelque" is rather interchangeable.

[*Text*]

Clauses 12 and 13 agreed to.

The Chairman: Shall the title carry?

Mr. Monteith: Before the title carries I should like to ask the minister or the leader of the house a question. The committee has co-operated today in getting the resolution through the committee stage, the government having indicated that it was completely necessary that this should be done so as to proceed with the other stages required. Could the leader of the house tell us whether any arrangements have been made for the Senate to return prior to July 20—I understand they have adjourned until that date—in order that this legislation may pass through the Senate and receive the royal assent?

Mr. Favreau: The Senate has apparently been advised that they may be recalled at any appropriate time in order to deal with any legislation which may have to be dealt with.

Mr. Monteith: And is it proposed that they shall be recalled?

Mr. Favreau: Yes.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. Members: By leave, now.

Miss LaMarsh moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

DOMINION-PROVINCIAL RELATIONS

PROVISION FOR REVISION OF FISCAL ARRANGEMENTS AND TAXATION PROVISIONS

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

Mr. Gordon: No one should be misled by the apparently simple wording of the resolution. This is a very complicated matter and I think it might be helpful if I were to make a fairly extended explanation of what is proposed, as the bill, if the resolution passes, will cover a number of subjects and I should like to be certain that all members of the committee appreciate its complexities.

In the past year or so the amount of federal-provincial consultation has been increased very considerably. I think it is fair to say that the federal government has demonstrated its willingness to deal in a practical way with some of the urgent financial problems of the provinces.

Mr. Starr: Cut out the politics, Walter.

Mr. Gordon: I had to have some sort of introduction.

We have had two federal-provincial conferences which have dealt with a range of matters including the important question of tax-sharing and there have been a number of other conferences which have dealt with specific subjects such as the municipal development and loan fund and the Canada pension plan. As a result of these consultations and our consideration of the financial problems of the provinces the government has come to the conclusion that the fiscal relationship with the provinces was in need of modification before the expiry of the present arrangements on March 31, 1967. Accordingly we made certain proposals to the provinces at the conclusion of the conference which was held on November 26-27 1963 and again following the conclusion of the conference in Quebec city held from March 31 to April 2, 1964. These proposals will be dealt with in the bill which will be presented in due course.

The fiscal proposals presented to the federal-provincial conference last November involved a change in the basis of equalization and also an increase in the share of the estate tax for the provinces, both to take effect for the fiscal year 1964-65. I think I might read two or three paragraphs from the statement which was issued by the Prime Minister at the conclusion of that conference because they summarize what was agreed to there as concisely as I think could be done. I quote:

On balance, therefore, we have concluded that the most acceptable solution is to restore the basis of equalization which was established in 1956 but subsequently altered. That is to say, equalization will be paid up to the average yield of the standard taxes in the top two provinces.

The other main point under discussion yesterday was the treatment of revenues from natural resources. The balance of the discussion seems to us to be that such revenues should be taken partially into account. The best practical way to do this is, we have concluded, to adjust the equalization which would be payable, to any province having natural resource revenue above the national average, by deducting an amount arrived at as follows: one half of the extent by which the natural resource revenue per capita exceeds the national average, multiplied by the population of the province.

It is estimated that the additional equalization payments under this formula will amount next year to about $55 million.

We also propose one further change in fiscal arrangements for the coming year. The abatement of federal succession duties, which has remained unchanged at 50 per cent since its inception, will be increased to 75 per cent though this increase will not be taken into account in calculating equalization. The cost to the federal treasury of this change is estimated at $32 million.

As noted in the Prime Minister's statement, the proposal is to return to the basis of equalization established in 1956; that is, to equalize the per capita return of the standard taxes in all provinces up to the level of the average per capita return in the two provinces having the highest yield. This equalization to the top two provinces is to replace the present system of equalization based on the national average.

Mr. Chairman, perhaps it would be useful if I illustrated the actual difference, in per capita terms, between the national average yield of standard taxes and the yield in the top two provinces. For the current year 1964-65, at the present rates of standard

taxes—that is, 18, 9, 50—the estimated national average yield is $42.61 per capita, whereas the average yield in the top two provinces, Ontario and British Columbia, is estimated at $54.92 per capita. It can be seen, therefore, that setting aside the effect of the national resource component of the equalization formula, raising a province's yield to the level of the top two, rather than to the national average, means an additional $12.31 per capita. I think it is hardly necessary to say that this matter of equalization is of fundamental importance in the fiscal arrangements between the federal and provincial governments, because the poorer provinces depend to a considerable extent upon some such system of fiscal adjustments to enable them to supply the services for which they are responsible under the constitution. If the equalization system is inadequate, the poorer provinces will be unduly burdened in their attempt to maintain reasonable standards in the public services for which they are responsible; and if they fail to maintain a reasonable standard of essential services, the national interest is affected.

Having said that, I should add that the argument for the equalization of the standard taxes to the level of the top two provinces does not rest on grounds of fairness or broad national interest alone. The provincial origins of the incomes and accumulations of wealth upon which income tax and estate tax yields depend are often widespread and are rarely known with accuracy. This in itself would, I suggest, support the view that some portion of their yield ought to be equalized among the various provinces. But while we believe that equalization of the standard income and estate taxes to the level of the yield in the top two provinces is of vital importance in the maintenance of a healthy federal system, we recognize that other factors have a significant effect on fiscal capacity, and in particular we recognize that there are wide variations in provincial natural resources revenue.

For example, for the year 1961-62 the average natural resources revenue per capita ranges from a low of 15 cents per capita in Prince Edward Island to a high of $94.03 per capita in Alberta. For the other provinces it is as follows: Newfoundland, $3.04; Nova Scotia, $1.84; New Brunswick, $6.52; Quebec, $6.62; Ontario, $6.91; Manitoba, $4.50; Saskatchewan, $22.57; and British Columbia, $37.72. Accordingly, while we believe in an equalization formula which will raise the level of the standard taxes up to the level of the top two provinces, we also believe that the need for equalization is reduced in provinces that receive natural resources revenue above the national average. That is why the equalization formula which was proposed to the provinces and is now to be recommended to parliament will include a deduction for natural resources revenue in excess of the national average. This deduction will be equal to one half of the per capita amount by which the three year average of a province's natural resources revenue exceeds the per capita national average natural resources revenue, multiplied by the population of that province.

Mr. Chairman, my hon. friend suggested that if I made this statement tonight he might have a chance to read it, and I agreed with him earlier that this was a highly complex calculation. At the present time this deduction would affect the provinces of Alberta, British Columbia and Saskatchewan, all of which have natural resources revenues in excess of the national average.

Mr. Chairman, I have just finished a brief description of one item that will be included under the resolution and will be provided for in the bill. There are a number of other items that I should like to explain to the committee, but perhaps rather than start on any others tonight we might agree to call it 10.30.

Mr. Lambert: How long will the minister be?

Mr. Gordon: I will be another 15 to 20 minutes.

Mr. Lambert: Mr. Chairman, in the light of the statement by the minister and the complexity of this matter, certainly we of the official opposition would be prepared to hear him out, because we would like to have this statement to read; then we could discuss the matter more intelligently tomorrow. As one can readily understand, members will be taking down brief notes at this time in order to speak to this matter later, and we will not be able to give it the careful consideration it deserves.

Mr. McIntosh: What about the questions that were referred to this time of day, Mr. Chairman? Will they continue afterwards?

The Chairman: Yes. The rules provide that the questions can be dealt with after this.

Mr. Knowles: I believe there is only one question in the overtime period, Mr. Chairman, so we agree to go on with this statement.

Mr. Olson: Mr. Chairman, we agree that it would be useful to have the minister complete his statement. It will then be printed and we can study it before convening tomorrow.

Mr. Grégoire: Agreed.

Mr. Gordon: I think we probably all agree, Mr. Chairman, that this a good thing to do. I will read this as fast as I can.

The statement made by the Prime Minister at the November conference also included the proposal to raise the provincial share of the estate tax from 50 per cent to 75 per cent. The Estate Tax Act was subsequently amended to make an abatement of 75 per cent available to provinces levying their own succession duties. At the present time, British Columbia is the only province in which the 75 per cent abatement from the federal rate is in effect. For the current year, the rate of abatement in effect in Ontario and Quebec is 50 per cent. It is proposed that these two provinces receive an additional 25 per cent of the estate tax in the form of a payment from the federal government. This arrangement was preferred in Ontario and Quebec pending the findings of their tax commissions. The other seven provinces now receive 50 per cent of the yield of the federal estate tax in the form of a payment from the federal government and it is proposed that they receive an additional payment equal to 25 per cent of the federal estate tax.

We made it clear at the November conference that we recognized the increasing burden falling on the provinces because of the rising cost of providing high priority services such as education, and we agreed to do something immediately to ease these burdens. It was understood that a further careful examination of the whole problem would be made with a view to seeing if an adjustment of more substantial kind should be attempted for the next fiscal arrangements period commencing April 1, 1967. However, following further consideration growing out of the discussions at the federal-provincial conference in Quebec city, March 31 to April 2, it was decided that in recognition of the increasing financial needs of the provinces, we should not wait until 1967 before making additional financial resources available to them.

The result of this further consideration was a decision to recommend to parliament that the rate of abatement of the federal individual income tax be increased by an additional two percentage points in the taxation year 1965 and by an additional four percentage points in 1966 above the level which would have prevailed under the existing legislation. The additional abatements have already been provided for by amendment of section 33 of the Income Tax Act as a result of Bill No. C-91 which received royal assent on June 18. It remains to make the parallel amendment to the Federal-Provincial Fiscal Arrangements Act so that the standard individual income tax rates will be the same as the rates of abatement. This is necessary so that the level of equalization will be brought into line with the level of the standard abatement. Under the existing legislation—that is, under the Federal-Provincial Fiscal Arrangements Act —the standard individual income tax rises by one percentage point in each of the five years of the agreement period. The standard tax was 16 per cent of the gross federal tax for the taxation year 1962, 17 per cent for the taxation year 1963, 18 per cent for the current taxation year 1964, would rise to 19 per cent for 1965 and to 20 per cent in 1966, the final year of the present period. Under the proposed legislation the standard tax will be 21 per cent for the taxation year 1965, rather than 19, and 24 per cent for the taxation year 1966, rather than the 20 per cent which is now provided for in the legislation. The effect of the increase in the levels of abatement under the Income Tax Act is that any province which chooses to increase its own income tax rates by like amount will be able to obtain the additional revenue from the two percentage points in 1965 and from the four percentage points in 1966 without raising the over-all level of individual income tax. The effect of the increase in the standard tax is to increase the amounts of equalization in line with these higher abatements. In other words, the value of the increased abatement will by this means be equalized to the yield in the top two provinces.

In order that the committee may know the financial importance of the measures which we recommend, I should like permission to place on *Hansard* at this point a table showing the estimated increase in provincial revenues for the fiscal years 1964-65, 1965-66 and 1966-67 which will flow from the implementation of these proposals. If there is unanimous consent I should like to table them now.

The Chairman: Is it agreed?

Some hon. Members: Agreed.

[*Editor's note: The table above referred to is as follows:*]

ESTIMATED COST TO FEDERAL GOVERNMENT OF PROPOSED CHANGE IN EQUALIZATION FORMULA AND INCREASED TAX ABATEMENTS FOR THE THREE FISCAL YEARS 1964-65 TO 1966-67

(thousands of dollars)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
I *1964-65*											
1. November 1963 proposals											
(a) Changes in equalization (18-9-50 formula)	2,928	517	4,297	4,800	34,130	—	5,914	2,723	—	—	55,309
(b) Additional 25% of estate tax	136	36	1,348	506	8,382	14,417	1,278	546	1,601	3,920	32,170
Total, 1964-65	3,064	553	5,645	5,306	42,512	14,417	7,192	3,269	1,601	3,920	87,479
II *1965-66*											
1. November 1963 proposals											
(a) Changes in equalization (19-9-50 formula)	3,499	641	5,186	5,513	45,650	—	7,685	4,669	—	—	72,843
(b) Additional 25% of estate tax	143	37	1,416	531	8,802	15,137	1,342	574	1,681	4,116	33,779
Sub-total	3,642	678	6,602	6,044	54,452	15,137	9,027	5,243	1,681	4,116	106,622
2. April 1964 proposals											
(a) Additional abatement of 2 points in individual income tax equalized to the top 2 provinces*	1,694	372	2,638	2,136	19,170	23,018	3,322	3,220	3,488	5,496	64,554
3. Total, 1965-66	5,336	1,050	9,240	8,180	73,622	38,155	12,349	8,463	5,169	9,612	171,176
III *1966-67*											
1. November 1963 proposals											
(a) Changes in equalization (20-9-50 formula)	4,137	778	6,185	6,324	56,675	—	8,936	7,034	—	—	90,069
(b) Additional 25% of estate tax	151	39	1,486	557	9,242	15,894	1,409	603	1,765	4,322	35,468
Sub-total	4,288	817	7,671	6,881	65,917	15,894	10,345	7,637	1,765	4,322	125,537
2. April 1964 proposals											
(a) Additional abatement of 4 points in individual income tax equalized to the top 2 provinces*	3,656	804	5,696	4,616	41,408	49,720	7,176	6,956	7,536	11,868	139,436
3. Total	7,944	1,621	13,367	11,497	107,325	65,614	17,521	14,593	9,301	16,190	264,973

* Calculated for Alberta and B.C. on assumption that there would be no equalization as a result of the natural resource revenue adjustment.

Mr. Gordon: This table indicates that for the fiscal year 1964-65 it is estimated that changing to the top two bases of equalization will bring the provinces an additional $55.3 million and the value of an additional 25 per cent of the estate tax will be $32.2 million, or a total of $87.5 million. For the year 1965-66 it is estimated that the provinces will be $171.2 million better off than under the arrangements now in effect, the proposals made at the November 1963 conference accounting for $106.6 million of this increase and an additional two percentage points of the individual income tax proposed following the Quebec conference accounting for $64.6 million. It is estimated that for the fiscal year 1966-67, the final year of the present fiscal arrangements period, the provinces will be some $265 million better off than they would have been under the present arrangements.

The proposed changes in the fiscal arrangements with the provinces involve both the system of equalization and the amount of the federal abatement and are the two major adjustments of the fiscal arrangements referred to in the resolution. As noted above, they will result in rising financial benefits to the provinces, culminating in an annual gain to them of some $265 million in 1966-67 including the increased abatement already provided under the Income Tax Act. I submit this is a very generous recognition of the financial problems of the provincial governments, Mr. Chairman, and when viewed in the light of the federal government's own sizeable deficits it illustrates in dramatic fashion the government's belief in co-operative federalism.

I should perhaps add a word or two about the effect of these changes on the budgetary position of the federal government. In my budget speech of March 16 last I forecast a deficit for the current fiscal year of $455 million according to the traditional method of accounting. Transfers to the provinces of the amounts contemplated, $265 million on an annual basis in 1966-67, will be bound to increase the federal deficit.

Hon. members know that a very high proportion of the federal government's total expenditures are fixed or uncontrollable if we include defence expenditures and social security payments in the fixed or uncontrollable category. Capital expenditures, for example, which are controllable are estimated at only $268 million for the current year, which is 4 per cent of total expenditures for the year. It is sometimes suggested this is an area that could be dealt with differently, but as a percentage of the total it is only 4 per cent. In other words, while we are making every effort to keep expenditures in check, the scope for cutting them appreciably or very considerably is not nearly as great as many people think. I mention this to emphasize the problem created for the federal government by the contemplated reduction in its revenues of $265 million a year in order to help the provinces meet their financial difficulties. Obviously there must be limits beyond which the federal government cannot go without endangering its own financial position, and I trust this will be recognized by the provinces as well as by those of us who are in the federal parliament, because to be successful co-operative federalism must work both ways.

While the proposed changes in the system of equalization and the increase in the federal abatement of the individual income tax are the most important of the fiscal revisions that are proposed, the bill will contain a number of other fiscal revisions which are of varying degrees of importance to the provinces. It is proposed that the Federal-Provincial Tax-Sharing Arrangements Act be amended to permit the use of the one year option for the determination of the succession duty rental applicable in the provinces of Saskatchewan, British Columbia and Manitoba for the years 1957-58 to 1961-62.

This provision will give effect to an undertaking made by two previous administrations but never given statutory authority. Under the Federal-Provincial Tax-Sharing Arrangements Act, chapter 29, 4-5 Elizabeth II, the standard sucession duty applicable to a province for a given year is equal to 50 per cent of the three year average of the succession duties payable on the estates of persons dying in that year and the two preceding years. During the course of the negotiations preceding the signing of the tax rental agreements, it was argued that a renting province should be given the option of a one year basis since in fact a province which did not rent received the 50 per cent abatement on the one year basis.

The then Minister of Finance undertook to secure the authority to make the one year option possible. The undertaking was first extended to the province of British Columbia by letter of February 14, 1957, and subsequently to the province of Saskatchewan by letter of May 17, 1957, and to the province of Manitoba by letter of October 30, 1957. The

other five provinces which rented the succession duty field to Canada were asked by the then minister of finance in letters dated April 24, 1958, whether they wished to avail themselves of the one year option.

No other provinces indicated their desire to avail themselves of the one year option, and on the basis of that inquiry it has therefore been limited to the provinces which requested it, namely British Columbia, Saskatchewan and Manitoba.

The passage of this particular provision will discharge a commitment previously given and will enable us to bring finality to the calculation of the succession duty rentals for those three provinces for the relevant years. It is not possible to tell in advance whether the selection of a one year basis for a succession duty rental would benefit a particular province for a given five year period. If some particularly wealthy person or persons had died in the two year period immediately preceding the agreements, a three year average might benefit a province. Conversely, if succession duties were tending to rise year by year, the one year basis might benefit a province. Because the one year basis will produce different results than the three year average, the option is naturally limited to those provinces which made their choice known at the beginning of the period.

A further provision of the proposed legislation has to do with the recommendations of the royal commission on Newfoundland finances appointed under term 29 of the terms of union. At the present time the payment of $8 million per annum recommended by the royal commission on Newfoundland finances is made under section 3(3) of the Federal-Provincial Fiscal Arrangements Act and the authority to pay this amount extends to March 31, 1967. It is proposed that the $8 million per annum be made payable to the province of Newfoundland in accordance with the recommendation of the royal commission on Newfoundland finances without specifying any terminal date.

Another provision has to do with the Crown Corporations (Provincial Taxes and Fees) Act which was given royal assent on June 18, 1964. In accordance with the provisions of that legislation certain federal crown corporations listed in the schedule to the act are required to pay provincial retail sales taxes, gasoline taxes and motor vehicle licences, with effect from April 1, 1964. This legislation was first proposed in 1962 under the previous government, and it was the intention at that time that the affected corporations should pay the specified provincial taxes from April 1, 1962. The legislation was never introduced, but the matter has been on the order paper on a number of occasions. While it was thought wrong at this time to give retroactive effect to this legislation, the government does not want the provinces to lose financially—I am referring to the bill that was passed some weeks ago—from the fact that events over which they had no control intervened in such a way as to make it impossible to carry out the original intention. It was more than an intention; it was more or less a commitment. Consequently it is proposed that an estimate be made of the taxes that would have been paid had the legislation been in effect from April 1, 1962 to March 31, 1964 and that such estimated amounts be paid to the provinces. It will come to about $6 million in total for the two years in question.

There is one further matter of importance that will be dealt with in the bill, that is, in the words of the resolution "To provide adjustment of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces". The bill dealing with the provision of the youth allowances has now been passed. The house is therefore familiar with the fact that it is not the intention to pay federal youth allowances in a province that provides its own system of schooling allowances on a basis similar to the federal plan. It is proposed that in such a province the federal income tax be reduced by a further 3 percentage points. This requires an amendment to provide an additional abatement of 3 percentage points under section 33 of the Income Tax Act. In provinces in which the federal youth allowances are paid it is proposed that the abatement under section 33 of the Income Tax Act be 21 per cent of the basic federal tax for the taxation year 1965 and in provinces which provide their own schooling allowances, 24 per cent of the basic federal tax.

The value of an additional abatement of 3 per cent in the federal income tax may be more or less than the value of the schooling allowances provided by the province. It is not intended that a province should be better off or worse off as a result of its decision to provide its own system of schooling allowances. If federal revenues decline more by reason of granting the additional 3 per cent abatement in a province providing its own system of schooling allowances than it would have cost the federal government to provide

the youth allowances in the province, we will recover this net loss from that province.

Conversely, if federal revenues are estimated to have declined less as a result of providing the additional 3 per cent abatement of federal individual income tax in a province providing its own system of schooling allowances than it would have cost the federal government to provide the youth allowances in that province, the federal government will pay this difference in cost to the province. Provision will be contained in the bill when it is before the committee for such adjustments.

I hope that the statement I have just made will provide a useful explanation of the subject matter covered by the resolution. The broad purpose is clear. It is to improve the financial position of the provinces and to contribute to order and harmony in federal provincial relations. The specific measures by which we achieve this broad purpose are, however, complex and difficult. I hope that my explanation of these matters has been sufficient but I shall be ready to amplify it later on in the course of debate.

Mr. Lambert: May I call it 10.30.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I would like to ask the house leader about the business for the rest of the week, but may I suggest to him in view of the complexity of the statement we have just heard from the Minister of Finance he may have to revise his plan for the expediting of the business of the house. I doubt if any one of us anticipated the short resolution appearing as order No. 61 on the order paper would involve such a lengthy and complicated matter. Would the house leader indicate what he has in mind for the rest of the week?

Mr. Favreau: May I ask the hon. gentleman from Winnipeg South Centre if what he means is that it is fair to state that the debate on the resolution concerning the fiscal arrangements will not be as short as was expected, and does he want to suggest that we should place the debate on it after some other legislation?

Mr. Churchill: I am not sure that the debate on the resolution would last very long, but with the bill following the resolution, the two combined, it seems to me they would occupy quite a bit of the time of the house and perhaps run over into next week.

Mr. Knowles: Since this seems like an adjourned meeting of the house leaders might I suggest shifting to the 12 mile fishing limit tomorrow and taking this federal-provincial legislation on Thursday?

[*Translation*]

Mr. Grégoire: Mr. Speaker, I feel that we should start by passing the resolution and carrying the bill on first reading, so that each member could have a copy of the legislation and compare it with the remarks just made by the Minister of Finance (Mr. Gordon). That would give us time to examine the bill before we discuss it.

Once the resolution has been passed and the bill read the first time, we could follow the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles) and go on to the bill concerning the fishing limits, and then we could come back to the legislation concerning federal-provincial fiscal arrangements.

[*Text*]

Mr. Favreau: I am impressed by the fact that the hon. member for Lapointe has read my mind so well. I think it would be fair to all parties if the order agreed to were not changed, because it would be appropriate for all concerned if the debate on the fiscal arrangements resolution were pursued tomorrow, after which would be called the 12 mile zone bill both for its committee stage and third reading. After that we would go back to the fiscal arrangements bill for second reading and committee stage and, we hope, third reading.

Mr. Lambert: If the discussion on the resolution stage is not finished, the minister will not see his bill until next week.

Mr. Olson: I am sure there have been some discussions and possibly some agreement among the house leaders. But as the hon. member for Winnipeg South Centre (Mr. Churchill) mentioned a few moments ago, members of the house can hardly have anticipated the complexity of the bill and of the resolution which has been presented to us in this statement by the minister. In order to be helpful I should like to suggest to the leader of the house and to the government that they would probably expedite the passage of this measure if they would give members of the opposition at least tomorrow in which to consider the statement the Minister

of Finance (Mr. Gordon) has made. Otherwise, I am sure the resolution will be discussed all day tomorrow and no progress will be made.

Mr. Favreau: I will take responsibility for this. Although the order of business to be called by the government will be that just stated, I agree that if at a meeting of the house leaders between now and the resumption of the sitting tomorrow some different agreement is reached, we could proceed on the basis of that agreement. For the moment, the business of the house tomorrow will be as I have just announced.

Mr. Churchill: Did the leader of the house announce the business for Friday?

Mr. Favreau: On Friday we will have a day on estimates.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion).

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

TRADE—BEEF—STEPS TO INCREASE EXPORTS TO GREAT BRITAIN

Mr. Jack McIntosh (Swift Current-Maple Creek): The reason I asked my question today on orders of the day was twofold; there were two reasons for it. The first reason was in regard to the potential market in the United Kingdom for Canadian beef. Sometime ago, Canada did have a market for this type of beef in the United Kingdom and for some reason unknown we lost that market. It would seem to me that this is the ideal time for us to regain the market we had in the United Kingdom. It possibly is unfortunate that they had a drought in Argentina this past year and were unable to supply their customers.

From press reports I understand that the Americans have sent a shipment of beef to the United Kingdom. I noticed that the Minister of Trade and Commerce (Mr. Sharp) in reply to a question put to him by the hon. member for Battle River-Camrose (Mr. Smallwood) said that the Canadian trade commissioner in Great Britain was investigating this, and he referred to it as a problem. To me, it is not a problem. As Canadians we should not be considering it as a problem. The people in the United Kingdom—yes, they have a problem because their beef prices are so high.

[Mr. Olson.]

He also said the spread was not great enough. From press reports we understand that special cuts of beef are selling in the United Kingdom for $2 a pound. Similar cuts are selling in Canada at the present time for 79 cents. How much of a spread do you want? I realize these are probably the best cuts, but proportionately the spread should be the same all the way down. Certainly with the devaluation of the Canadian dollar our beef should again be in the running for that market. I ask the parliamentary secretary, what efforts have his department made to regain this market?

My second reason for asking this question has to do with a threatened drought this year in the northern part of the prairies. It may not develop, but unless we get rain very quickly farmers will be forced to sell their cattle herds. Unlike the southern part of the prairie provinces, where provision has been made for such catastrophes because they have had them in the past, the northern part of the prairies has seldom experienced such a catastrophe. They are not prepared for carrying over their herds; they are not prepared by having reserve feed, and they may be forced to settle their problem in one of two ways. They will either have to ship their cattle to the southern part of the province, which is very costly, or they will have to flood the market with this beef.

The department knows what will happen if the market is flooded. Prices will be depressed and this affects the economy of all Canada. I am sure we do not want this to happen. I am also thinking of the future in this connection. Canada is capable of producing much more beef than she can consume, and with the advent of ARDA and the proposed opening of new grazing lands in the provinces of Quebec and Ontario, we can produce much more beef. If we do produce more beef, we must have markets in which to sell it. I would ask the department to do everything they possibly can to regain part of this market, bearing in mind that the Americans have already sent trial shipments to Great Britain, that we had this market on a prior occasion, and that there is a special process by which this beef can be prepared for shipment. It can be sent to the United Kingdom in refrigerated cars and ships. I understand that this special process does not require too much preparation. They strip the hides off the cattle, chill the beef and ship it. I realize that we cannot send live cattle over there because it is too costly. But this market was open to beef shippers in Canada before,

and I think this is a golden opportunity for Canada to recapture the market.

I hope the department will consider what I have suggested and that they have already had results from the investigation which the minister said he had under way when he was asked about this on a former occasion.

Mr. Jean-Luc Pepin (Parliamentary Secretary to Minister of Trade and Commerce): Mr. Speaker, I would say, first, that the answer given by the minister on June 15 to a similar question still holds. Information gathered in the United Kingdom and on the continent by Department of Trade and Commerce officers has not only been collected but has actually been given to the meat packing houses in Canada. I investigated the matter this afternoon and understand that the meat packing houses are now making their beef available to potential buyers in the United Kingdom and Europe. For obvious reasons, I think I cannot be more specific than that. There is nothing that one meat packing house wants less than to provide information to another meat packing house.

Mr. McIntosh: Mr. Speaker, may I ask the parliamentary secretary a question? What program has the government got, in case there is a flood on the market of these cattle from the drought areas?

Mr. Pepin: Mr. Speaker, I was not aware of this before. I will keep in touch with the situation. I understand the Minister of Agriculture will be back from Regina tomorrow, and I will bring the observations made by the hon. member to his attention. I am now joining with him in keeping the situation under close observation. I share his views on the development of beef raising in Canada, in the sense that I should like my own constituents to become more beef conscious, if I may put it that way, and I should like them to export in the same way as the hon. member would like his own people to export.

BUSINESS OF THE HOUSE

Mr. Favreau: Mr. Speaker, with the agreement of the house may I put on *Hansard* the fact that after a short meeting of the house leaders, which meetings seem to have been very successful recently, it has been agreed that tomorrow as the first order of business we will proceed with the committee stage and third reading stage of the 12 mile fishing zone bill, after which we will carry on with the debate on the fiscal arrangements resolution.

Motion agreed to and the house adjourned at 11.04 p.m.

20220—329½

APPENDIX

NON-OPERATING RAILWAY EMPLOYEES—CORRESPONDENCE WITH RAILWAY PRESIDENTS

CANADIAN NATIONAL RAILWAYS

CANADIAN PACIFIC RAILWAY COMPANY

Montreal, June 22, 1964.

Dear Mr. Prime Minister:

We write to apprise you of a situation developing which may bring about a suspension of railway services in Canada.

On May 20, 1964, the Munroe conciliation board, appointed by the Minister of Labour to inquire into a dispute between the railways and their non-operating employees, submitted a majority report recommending wage increases during 1964 and 1965 totalling approximately 19.1 cents per hour or $32.50 per employee per month. This would add to the wage bills of Canadian National and Canadian Pacific amounts estimated at $18.2 million for 1964, $39.0 million for 1965 and $46.3 million for each succeeding year.

This was the latest of a series of conciliation board reports which have dealt with disputes between the railways and their non-operating employees on a biennial basis since world war II. Between 1946 and 1959 these employees secured increases in wages, fringe benefits, or both, on seven successive occasions. To cover the added costs involved, the railways applied to and received authority from the board of transport commissioners to make general increases in freight rates, the last of which was an increase of 17 per cent effective December 1, 1958. Because this series of general freight rate increases gave rise to allegations of discrimination and inequities in the freight rate structure, in March, 1959, the government announced that no further general increases in freight rates would be permitted pending study by a royal commission to be appointed to inquire into railway transportation in Canada. On May 13, 1959, the MacPherson royal commission was appointed under terms set forth in P.C. 1959-577.

Subsequently parliament enacted the Freight Rates Reduction Act with effect from August 1, 1959, under which the 17 per cent increase in freight rates of December 1, 1958, was rolled back to 10 per cent and the sum of $20 million per annum was provided to compensate the railways for the loss of revenues therefrom. On May 2, 1960, by order of the board of transport commissioners, the 17 per cent increase was further rolled back from 10 per cent to 8 per cent.

In 1960 the non-operating employees made further demands upon the railways. The conciliation board which dealt with that dispute recommended wage increases totalling some 14 cents per hour together with improved vacation benefits. The railways rejected the report and a strike called for December 3, 1960, was averted by parliament which passed the Railway Operation Continuation Act preventing strike action until May 15, 1961. In the meantime, in March, 1961, the MacPherson royal commission submitted the first volume of its report. The government decided, pending receipt of the complete report, to make interim payments to the railways related to the recommendations of the royal commission in the amount of $50 million per annum. The dispute between the railways and the non-operating employees was settled on the basis of the majority report of the conciliation board and the Railway Operation Continuation Act lapsed.

The second volume of the MacPherson royal commission report was released in January, 1962. In the meantime, the non-operating employees had made further demands in respect of the years 1962-63. That dispute was settled on the basis of the unanimous report of a conciliation board which added 9 cents per hour to railway payroll costs. The railways accepted the report and undertook the added costs involved which, together with increases accorded running trades employees, totalled some $31.7 million on a recurring annual basis, in anticipation of legislative action to implement the recommendations of the royal commission. As you are aware, such action has been repeatedly delayed.

In the meantime, however, government has further circumscribed the ability of the railways to raise added revenues to meet increased costs and, indeed, has impaired their sources of revenues. On May 7, 1959, by order in council P.C. 1959-569, the authority

granted by the board of transport commissioners, sustained on appeal by the Supreme Court of Canada, to apply demurrage charges on cars loaded with grain consigned to terminal elevators in western Canada, was suspended and has remained so ever since. By an amendment to the Railway Act, on August 1, 1961, the statutory rates covering the movement of grain and grain products in western Canada enacted by parliament in 1925, were made applicable to rapeseed as well. This was done after the board of transport commissioners had dismissed an application that rapeseed be classed as grain. As a result, this artificially low level of rates which is applicable to so large a segment of the railways' traffic and which has become increasingly onerous in the face of rising costs, was not only continued but, indeed, extended with impairment to the revenue position of the railways. On March 30, 1961, by order in council P.C. 1961-497, increases in the at-and-east grain rates authorized by the board of transport commissioners which found the rates in effect to be below cost, were suspended. Successive orders in council have continued this suspension, currently until December 31, 1964.

Throughout the post-war period the railways have necessarily had to accord operating and other employees increases in wages and fringe benefits generally comparable to those secured by the non-operating employees. Recently material prices which had been relatively stable for some time have started to move upwards.

Incidentally, although the railways have continued in effect the reductions in freight rates brought about by the Freight Rates Reduction Act, and while the government has given assurance of its intention to place before parliament the matter of payments at the same rate as last year, this has not yet been done and the railways have not been in receipt of interim payments since December 31, 1963, or payments in respect of the Freight Rates Reduction Act since March 31, 1964.

More recently, the Minister of Transport has stated that no branch line abandonments in western Canada will be permitted pending enactment of legislation based on the MacPherson royal commission report.

Thus the railways find themselves by the action of government deprived of authority to raise added revenues to meet increased costs and circumscribed in their ability to effect economies through the discontinuance of unremunerative operations. Under these conditions, they cannot undertake the responsibility of assuming added costs of the magnitude implicit in the majority report of the Munroe conciliation board.

Even though rejection of the report may inevitably lead to a railway strike, existing circumstances leave us no alternative. Before taking this action, however, we felt the matter should be placed before you. We will be available for a meeting with you to explore the situation further if that should be desired.

Yours truly,

D. Gordon,
Chairman and president
Canadian National Railways

N. R. Crump,
Chairman and president
Canadian Pacific Railway Company

The Rt. Hon. L. B. Pearson,
Prime Minister,
Ottawa 4, Ont.

The following communication was directed by the Prime Minister to the presidents of the railways in reply to their letter of June 22, 1964.

Canadian National Telecommunications

Ottawa, June 30, 1964.

The letter which you sent forward on June 22, dealing with the wage negotiations between the railways and their non-operating employees and the report of the conciliation board on this matter, has been studied with great care. The federal government is aware of the difficulties for the railways which are inherent in this situation.

The government has indicated to you its firm intention to proceed with new railway legislation which will satisfy major objectives of the report of the MacPherson royal commission on transportation. At the same time, it is recognized that, while the resolution preceding introduction of this legislation is awaiting consideration by parliament, other items of parliamentary business must be dealt with first. This makes it likely that some time will pass before the MacPherson legislation can be considered by parliament.

In these special circumstances the government would undertake to review the situation in six months' time. This review would

take place in the light of an impartial examination of the costs of a wage settlement by the railways in the situation described in your letter, so that the government would be afforded an opportunity to decide what additional temporary financial adjustments would be justified to assist the railways during the period up to the coming into effect of the proposed new railway legislation.

L. B. Pearson.

HOUSE OF COMMONS

Wednesday, July 8, 1964

The house met at 2 p.m.

PRIVILEGE

MR. DIEFENBAKER—STATEMENT IN DEBATE BY MEMBER FOR VILLENEUVE

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I rise at once on a question of privilege arising out of a statement made yesterday afternoon by the hon. member for Villeneuve as recorded on page 5158 of *Hansard*. I was in the house when he commenced his remarks, but I was called out and was not present when he made these remarks, so it was not until this morning that I observed the statement. I quote from the translation at page 5158:

> Mr. Speaker, that is nothing new for the Leader of the Opposition, since he stated in the past that family allowances were merely a piece of legislation to assist French Canadians in the province of Quebec. But I realized myself that in western Canada, and in the riding of the Leader of the Opposition, there were as many large families as there are in the province of Quebec.
>
> Another point on which the Leader of the Opposition was wrong is that some years ago he was against family allowances because, he said, they were designed to help families in the province of Quebec.

Sir, there is not one vestige of truth in the suggestion that I, at any time, any place or under any circumstances, inside this house or outside, ever made the allegation or statement or any statement from which such inferences could be drawn. I want to make that clear now so that it will not be quoted later as not having been clearly denied.

Furthermore, as to the allegation that I was against family allowances, I simply recall to the attention of the house that when this matter was before parliament I was at one time alone in my support of family allowances; I stood for them knowing what the advantages were. Later on the entire party, with one exception, voted in favour of family allowances. I wanted to make these two points very clearly, and to state that the hon. gentleman's statement is unequivocally untrue.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I would like to make some remarks concerning the question of privilege raised by the Leader of the Opposition (Mr. Diefenbaker) about a statement I made yesterday to the effect that, as far back as 1945, he was against the passing of any measure respecting family allowances.

I maintain my statement and, further, I am not the only one to say so, because in this morning's newspaper *Le Devoir* we could read the following:

> Diefenbaker: By favouring Quebec, the Liberals are destroying confederation.

[*Text*]

Mr. Speaker: Order. This is not the time—

Mr. Diefenbaker: Mr. Speaker, the hon. gentleman, and I am sure he is a gentleman, will not persist in something that is untrue. I have not asked for a withdrawal. Withdrawals never catch up with falsehoods.

Some hon. Members: Hear, hear.

Mr. Speaker: Without an immediate reference to the authorities I understand that the long standing custom is that the statement of a member should be taken as final in the matter.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

WRECKS AND DERAILMENTS IN C.N.R. ATLANTIC REGION

Question No. 1,130—**Mr. Muir (Cape Breton North and Victoria):**

> 1. During the year 1963, how many wrecks and derailments took place in the Atlantic region of the Canadian National Railways?
>
> 2. How many were caused by (a) track conditions (b) journal failures (c) other causes?
>
> 3. In total, what were the costs to the C.N.R. of all derailments in the Atlantic area during 1963?

Mr. Pickersgill: The management of the Canadian National Railways advise as follows:

Particulars of train accidents in the Atlantic region, which were reported to the board of transport commissioners for the year 1963 are as follows:

Questions

1 and 2.	Derailments	33
	Collisions	3
	Total	36
	Due as follows:	
	Track conditions	9
	Journal failures	8
	Other causes	19

3. Approximately $900,000.

REMOVAL EXPENSES, POINT EDWARD NAVAL BASE EMPLOYEES

Question No. 1,160—**Mr. Muir (Cape Breton North and Victoria):**

Has treasury board made any arrangements for payment of removal expenses to prevailing rate employees who may be transferred to positions in the Department of National Defence or other government departments at other locations as a result of the reduction in national defence operations at the Point Edward naval base and, if not, are arrangements going to be made to cover removal expenses of such employees?

Mr. McIlraith: Authority already exists to pay the removal expenses of prevailing rate employees moved within the Department of National Defence. No provision exists for the payment of removal expenses to prevailing rate employees of the Department of National Defence being transferred to positions in other government departments. In the event that suitable employment can be secured for prevailing rate employees with another government department, consideration will be given to extending financial assistance to cover the costs of removal expenses.

*C.N.R. CONCESSION TO TRANSOL, INC.

Question No. 1,171—**Mr. Marcoux:**

1. On what date did the Canadian National Railways grant Transol Inc. a land concession in order to establish a service between Lévis and Rivière du Loup?

2. Were tenders called and, if so, what are the names of the tenderers and the amount of each tender?

3. What are the names and addresses of the directors of Transol Inc.?

4. How many stations are served by this transportation company?

[*Translation*]

Mr. Cantin: The management of Canadian National Railways advise as follows:

1. There has been no transaction between the C.N.R. and Transol Inc. for either the sale or lease of land in connection with the highway service between Lévis and Rivière du Loup.

2. See answer to No. 1.

3. This company is not a subsidiary of Canadian National.

[Mr. Pickersgill.]

4. Twenty two.

[*Text*]

WORLD FAIR CONTRACTS

Question No. 1,178—**Mr. Latulippe:**

1. What works are being done under contract for the 1967 world exhibition?

2. Were tenders called in each case?

3. Who bid on each of these works, what was the amount of each tender, and to whom was each of these contracts awarded?

4. What is the estimated completion date for each contract?

5. As of May 31, 1964, how many contracts were there for which tenders had been called and contracts not awarded?

[*Translation*]

Answer: 1. The following construction works are being done under contract: (a) MacKay pier, Ile Verte bridge substructure; (b) MacKay pier, Ile Verte bridge superstructure; (c) bridge approach at MacKay pier; (d) MacKay pier, stage I filling, as agents for national harbours board; (e) MacKay pier, stage II filling, as agents for national harbours boards; (f) rough grading, Ile Verte and Ile Notre Dame; (g) test borings, Theme buildings.

2. Yes, tenders were called in each case.

3 and 4. (a) MacKay pier, Ile Verte bridge substructure. Close February 11, 1964. C. A. Pitts Construction (Quebec) Ltd., $1,443,955; Atlas Construction Co. Ltd., $1,898,720; Dufresne Engineering Company Ltd., $2,362,-976.40; McNamara Quebec Limited, $2,854,370; The Foundation Company of Canada Ltd., $2,369,732.25.

Estimated completion date: November 1, 1964. Awarded to Dufresne Engineering Company Ltd.

Explanation: The two lowest bids did not meet the corporation's specifications.

(b) MacKay pier, Ile Verte bridge superstructure. Dominion Bridge Company Limited, $8,574,000; awarded to Dominion Bridge Company Limited at $7,897,500. Estimated completion date: September, 1965.

(c) MacKay pier bridge approach. Tenders close May 26, 1964. J. A. Levasseur Construction Inc., $836,328.11; Electra Construction Limited, $859,274; Dufresne Engineering Co. Ltd., $962,475.66; B.G.L. Engineering Co. Ltd., $969,557; Charles Duranceau Limitee, $1,021,695.

Estimated completion date: October 1, 1964. Awarded to J. A. Levasseur Construction Inc.

(d) MacKay pier, stage I filling. Tenders closed March 10, 1964. Beaudry Limitee,

$1,305,000; Charles Duranceau, $1,484,600; Montreal Dual Mix, $1,756,400; Miron Company Limited, $1,895,400.

Estimated completion date: June 24, 1964. Awarded to Beaudry Limitee.

(e) MacKay pier, stage II filling. Tenders closed April 7, 1964. Royalmount Construction Ltd., $1,217,500; Compagnie Miron Limitee, $1,682,750; Beauval Inc. and Desourdy Construction Limitee, $1,704,500; Pine Beach Sand Limited, $1,783,125; Beaudry Limitee, $1,865,000; Montreal Dual Mixed Concrete Ltd., $1,951,250; Charles Duranceau Ltee., $1,959,250; A. Billet Ltee., $1,971,250.

Estimated completion date: September 19, 1964. Awarded to Royalmount Construction Ltd.

(f) Grading, shaping and retaining walls, Ile Verte and Ile Notre Dame. Tenders closed June 11, 1964. Desourdy Construction Limitee, $545,700; Montreal Dual Mixed Concrete Ltd., $633,475; Miron Compagnie Limitee, $637,706; C. A. Pitts Construction Quebec Ltd., $774,500; Pine Beach Sand Limited, $890,669; D. Lamothe Ltd., $1,143,500.

Estimated completion date: September 1, 1964. Awarded to Desourdy Construction.

(g) Test borings—Theme buildings. Tenders closed, June 26, 1964. National Boring and Sounding Inc., $8,900; Foundation Testing Inc., $9,650; Maurice R. Delisle, $13,840; Terratech Ltd., $14,000.; La Cie de Forage International Ltee., $15,212; Geocon Ltd., $18,500; Selby Subsurface Investigation Co. Ltd., no bid.

Contract recommended to National Boring and Sounding Inc. Estimated completion date: July 15, 1964.

5. Three.

[*Text*]

*SWING BRIDGE ACROSS THE NARROWS, LAKE SIMCOE

Question No. 1,223—**Mr. Rynard:**

Now that the Jake Gaudaur memorial bridge is almost completed, has the Minister of Transport any plans to modernize the hand-operated Canadian National railway swing bridge across The Narrows, between lake Simcoe and lake Couchiching, in order to expedite marine traffic on this stretch of water?

Mr. Cantin: The railway is not at present contemplating any extensive modernization of this bridge. However, it is proceeding with the installation of improved navigation lights which should be of considerable assistance to marine traffic.

Questions

R.C.N. ARMAMENT DEPOT, LONGUEUIL, QUE.

Question No. 1,338—**Mr. Fisher:**

1. Did the Department of National Defence decide to close the R.C.N. armament depot at Longueuil near Montreal before the "integration" policy was announced and, if so (a) were some of the activities at Longueuil to be transferred to the naval supply depot at La Salle (b) who made this decision?
2. If such a decision was made, does it involved extensive modifications to a storehouse at La Salle and, if so, what are they and what is the estimated cost?
3. Has the Longueuil depot been declared surplus?
4. Has United Aircraft of Canada indicated any interest in such surplus property?
5. Is it part of the "integration" policy that individual services are not to arrange for the disposal of any property until the matter is examined by a committee or working group acting within the lines of "integration" policy?

Answer: 1. Yes, this was announced in the House of Commons December 5, 1963, page 5456 of the official report, *House of Commons Debates;* (a) yes, (b) the government.

2. Yes, it involves alternations to a warehouse building to accommodate equipment being moved including increased electrical supply, the supply and installation of an overhead, travelling crane at an estimated cost of $243,000.

3. It is anticipated that the R.C.N. armament depot, Longueuil, will be declared surplus September 1, 1964.

4. Yes.

5. Under long standing policy and practice, the Department of National Defence does not transfer to the Crown Assets Disposal Corporation any real property that becomes surplus to the needs of an individual service until it is determined that the other services have no requirement for the property.

WEATHER DIALING SERVICE, MONTREAL AND TORONTO

Question No. 1,354—**Mr. Mather:**

1. What type of private advertising is to provide revenue for the operation of the government "dial the weather" service in Montreal and Toronto?
2. Is consideration being given to extending the acceptance of private advertising to pay for other government services?

Mr. Pickersgill: 1. The service to be provided by "dial the weather" in Montreal and Toronto will not be a government service, although the meteorological branch of the Department of Transport will provide the meteorological information.

2. Not applicable.

Questions

CANADIAN CASE BEFORE UN HUMAN RIGHTS OFFICER

Question No. 1,355—**Mr. Howard:**

Is there presently a case (reference number SO 215/1, resolution number 728 F (XXVIII)) of a resident of Canada before Mr. Stephen Landau, human rights officer of the United Nations and, if so, what progress is being made with respect to that case?

Answer: The Canadian government is not in a position to answer this question. The reference numbers mentioned in the question relate in the first instance to a general United Nations secretariat file and in the second instance to the following resolution of the economic and social council prescribing the United Nations procedures for processing complaints concerning alleged violations of human rights:

The economic and social council,

Having considered chapter V of the report of the commission on human rights on its first session, concerning communications, and chapter IX of the report of the commission in its fifteenth session,

1. Approves the statement that the commission on human rights recognizes that it has no power to take any action in regard to any complaints concerning human rights;

2. Request the secretary general:

(a) To compile and distribute to members of the commission on human rights before each session a non-confidential list containing a brief indication of the substance of each communication, however addressed, with deals with the principles involved in the promotion of universal respect for, and observance of, human rights and to divulge the identity of the authors of such communications unless they indicate that they wish their names to remain confidential;

(b) To compile before each session of the commission a confidential list containing a brief indication of the substance of other communications concerning human rights, however addressed, and to furnish this list to members of the commission, in private meeting, without divulging the identity of the authors of communications except in cases where the authors state that they have already divulged or intend to divulge their names or that they have no objection to their names being divulged;

(c) To enable the members of the commission, upon request, to consult the originals of communications dealing with the principles involved in the promotion of universal respect for, and observance of, human rights;

(d) To inform the writers of all communications concerning human rights, however addressed, that their communications will be handled in accordance with this resolution, indicating that the commission has no power to take any action in regard to any complaint concerning human rights;

(e) To furnish each member state concerned with a copy of any communication concerning human rights which refers explicitly to that state or to territories under its jurisdiction, without divulging the identity of the author, except as provided for in subparagraph (b) above;

(f) To ask governments sending replies to communications brought to their attention in accordance with subparagraph (e) whether they wish their replies to be presented to the commission in summary form or in full;

3. Resolves to give members of the subcommission on prevention of discrimination and protection of minorities, with respect to communications dealing with discrimination and minorities, the same facilities as are enjoyed by members of the commission on human rights under the present resolution;

4. Suggests to the commission on human rights that it should at each session appoint an ad hoc committee to meet shortly before its next session for the purpose of reviewing the list of communications prepared by the secretary general under paragraph 2(a) above and of recommending which of these communications, in original, should, in accordance with paragraph 2(c) above, be made available to members of the commission on request.

1088th plenary meeting,

30 July 1959.

[Mr. Pickersgill.]

IMPROVEMENTS TO HAUL-OUT FACILITIES, WHITE POINT, N.S.

Question No. 1,364—**Mr. Muir (Cape Breton North and Victoria):**

1. On what date were tenders called for a contract for improvements to the haul-out facilities at White Point, Victoria county, N.S., and what was the closing date?

2. Who was the contract awarded to and for those who tendered and the amounts of each tender?

3. What was the contract awarded to and for what amount?

Mr. Deschatelets: 1. Tenders were called on May 16, 1963 and closed on May 28, 1963.

2. Dunn Construction Co. Ltd., Baddeck, N.S., $1,292.

3. As the only tender received was considered excessive, Dunn Construction Co. Ltd. was asked to give an alternative price on another method of carrying out the work. A contract was subsequently awarded on September 11, 1963, in the amount of $542, and completed in 1963. However, during the course of the work in 1963, additional work became necessary, for which Dunn Construction Co. Ltd. submitted a price of $240. An addition to the contract for this was issued October 24, 1963. Due to weather conditions, the additional work could not be carried out in 1963, and will be undertaken in the near future.

TEACHERS' SALARIES, NATIONAL DEFENCE

Question No. 1,374—**Mr. Fisher:**

What are the salary schedules for teachers employed by Department of National Defence including a job description for each level?

Answer: In Canada, teachers are employed in dependants schools in Canada by a contract negotiated between the teacher and the official trustee of the school board at each defence base. In accordance with the regulations and orders governing the operation of

these schools the salary schedules for staff members shall be on a parity with those of comparable civilian operated schools in the area. A supporting statement to this effect shall be obtained from the local provincial school inspector or other appropriate educational authority.

Overseas, teachers are obtained for D.N.D. schools overseas on a loan of service basis from their employing Canadian schools boards. The boards continue to pay their salaries in accordance with the salary schedule in effect and applicable to the teachers' qualifications and experience. The Department of National Defence reimburses the school boards for such salary payments.

Free quarters are provided to the teachers overseas or allowances are paid in lieu if the teacher elects not to occupy such quarters. These allowances are payable overseas at rates approved from time to time by the treasury board.

EXHAUST CONTROL DEVICES FOR MOTOR VEHICLES

Question No. 1,378—**Mr. Mather:**

Is consideration being given to following the example of California and promoting by law or by conference with the provinces the making mandatory of exhaust and crankcase control devices for motor vehicles?

Miss LaMarsh: Tested and approved crankcase control devices that reduce the motor vehicle contribution of air pollution by about 25 per cent to 30 per cent have been standard equipment on all new cars sold in California since 1962. Present standards require about a 70 per cent reduction in pollutants from auto exhaust.

The California state motor vehicle pollution control board have recently approved several exhaust control devices for installation on new cars sold in California beginning with 1966 models.

The United States automobile manufacturers association have promised to produce cars that will meet the California standards limiting exhaust contaminants for the 1967 model year.

In view of the above it is considered premature to promote a provincial conference on such devices until the equipment becomes available and satisfactory experience as to performance is forthcoming.

LAND TRANSACTIONS, ASSINIBOIA MUNICIPALITY, MAN.

Question No. 1,379—**Mr. Enns:**

1. Have recent land transactions been negotiated affecting properties adjoining the D.N.D. shooting range in the municipality of Assiniboia, Manitoba?

2. Did these involve properties along the trans-Canada highway and the perimeter highway?

3. What were the terms of such negotiations?

Answer: 1. Yes.

2. Yes.

3. The existing danger area of the St. Charles rifle range does not extend to the rear of the range a sufficient distance to permit the use of modern weapons. The range was, therefore, closed down for several months until arrangements could be made to acquire the necessary additional danger area. Recently, negotiations with two land owners were undertaken involving the exchange of uncultivated crown property for lands to form the necessary additional danger area. Specifically offers have been made to exchange:

(a) Part of river lot 89 of the inner two miles of the parish of St. Charles containing approximately 252 acres for the northeast quarter and the east half of the southeast quarter of section 23, the north half of the northeast quarter of section 14 and the north half of the north half of section 13, all in township 11, range 1, east of the prime meridian, containing approximately 480 acres, and;

(b) The northeast quarter of section 23 and the north half of the northeast quarter of section 13, containing 240 acres, for the southwest quarter of section 24, containing 160 acres, all in township 11, range 1, east of the prime meridian.

The parties to the proposed exchange are to be allowed to remove the 1964 crop and will be permitted to farm the land on a year to year basis, at their own risk, when the rifle range is not in use upon payment of the municipal taxes in addition to a per acre rental of $3 per annum.

EXPENDITURES ON FOREIGN SWEEPSTAKES

Question No. 1,401—**Mr. Coates:**

1. Is the government in a position to indicate with any accuracy the sums of money which are expended by Canadians on foreign sweepstakes and, if so, what is the estimated amount?

2. Does the government intend to endeavour to ascertain the amount involved in order to better determine what the possible effect of the establishment of such a scheme might have on the recommendations as proposed by the Hall commission on health services?

Mr. Davis: 1. No.

2. It would be impossible to make a reliable estimate.

Questions

ORDERS FOR EXCESS BALLOT PAPERS

Question No. 1,403—**Mr. Hales:**

1. What are the names of the constituency and returning officers for the 20 ridings in 1962 and 25 ridings in 1963 that ordered an excess of more than 40 per cent of the ballots necessary as outlined in the Auditor General's report 1963, page 22?

2. What is the name of the constituency and returning officer with 18,000 electors and who ordered 26,400 ballot papers in 1962 and 30,000 in 1963?

Answer: 1.

1962

Electoral districts	Names of returning officers
Kenora-Rainy River	W. J. Gray
Prince Edward-Lennox	James A. Clark
Joliette-L'Assomption-Montcalm	Maurice Majeau
Montmagny-L'Islet	Gonzague Bélanger
Roberval	Edouard Duchesne
Stanstead	Louis Gérin
Queens-Lunenburg	K. J. Kenney
Provencher	Abram K. Braun
Mackenzie	L. A. Yaworski
Acadia	M. E. Taylor
Jasper-Edson	Chris Nielsen
Macleod	John Arnoll Moorey
Medicine Hat	Peter J. Keller
Argenteuil-Deux-Montagnes	Jean-Paul Dorion
Compton-Frontenac	Paul Beaudoin
Kamouraska	Benoît Dubé
Burin-Burgeo	Philip R. Hollett
St. John's West	William J. Stoyles
Northwest Territories	L. F. G. Borden
Yukon Territory	C. T. Ravenhill

1963

Algoma East	James H. Burt
Prince Edward-Lennox	James A. Clark

1963

Electoral districts	Names of returning officers
Beauce	Roger Bolduc
Compton-Frontenac	Paul Beaudoin
Dorchester	John H. O'Farrell
Gaspé	F. R. Sams
Îles-de-la-Madeleine	Arnold L. Deraspe
Kamouraska	Benoît Dubé
Pontiac-Témiscamingue	J. Denzil Moodie
Stanstead	Louis Gérin
St. John's West	William J. Stoyles
Cumberland	William H. Wasson
Charlotte	Frederick Garcelon
Kent, N.B.	Louis Felix LeBlanc
Restigouche-Madawaska	Dillon Arseneau
Lisgar	Cecil D. Treble
Marquette	J. Morris Lavery
Selkirk	Harold Johnson
Skeena	Alex Samuel Bill
Kindersley	James Patrick Duncan
Meadow Lake	Frank Buchan Milne
Qu'Appelle	F. Clifford Armstrong
Rosetown-Biggar	Arthur J. Flach
Rosthern	George A. Birtles
Acadia	M. E. Taylor
Jasper-Edson	Chris Nielsen
Macleod	John Arnoll Moorey
Vègreville	Terence Kenneth Cole

2.

Meadow Lake	Frank Buchan Milne

HOUSING STARTS

Question No. 1,410—**Mr. Orlikow:**

What was the number of housing starts, by type of units, for each of the first five months in the years 1962, 1963, 1964, in centres of 5,000 population and over?

[Mr. Davis.]

Answer:

Housing starts, by type of units, Canada total, for centres of 5,000 population and over for each of the first five months in the years 1962, 1963 and 1964

Month	Single detached	Two-family	Row	Apartment	Total
1962					
January	2,437	339	211	1,709	4,696
February	1,805	305	41	1,317	3,468
March	2,597	669	113	2,143	5,522
April	4,203	923	138	3,385	8,649
May	5,217	925	286	3,579	10,007
Total	16,259	3,161	789	12,133	32,342
1963					
January	2,103	214	172	1,954	4,443
February	1,753	219	123	1,761	3,856
March	2,227	273	251	3,189	5,940
April	3,637	455	359	3,689	8,140
May	4,704	836	427	6,508	12,475
Total	14,424	1,997	1,332	17,101	34,854
1964					
January	3,980	574	161	3,598	8,313
February	2,618	349	54	2,994	6,015
March	1,870	302	218	3,135	5,525
April	3,019	420	182	4,719	8,340
May	4,130	673	222	6,309	11,334
Total	15,617	2,318	837	20,755	39,527

*PRINTING OF BILL OF RIGHTS IN PARCHMENT FORM

Question No. 1,412—**Mr. Loney:**

For what reason did the queen's printer discontinue the further printing of the Canadian Bill of Rights in illuminated parchment form?

Mr. Stewart: At the present rate of sale the supply now on hand in both English and French should be adequate to meet sale requirements for at least one year.

*COST OF DAWSON CITY FESTIVAL

Question No. 1,421—**Mr. Côté (Longueuil):**

1. What was the total cost to the taxpayers of the 1960 Dawson city festival?

2. Has the present government repaid any deficit or loan guarantee following commitments made by the previous government and, if so (a) what was the amount (b) what specific items were included in expenditures paid for by the federal government?

Mr. Laing: 1. Nil. No festival was held in 1960.

2. N/A in so far as 1960 is concerned.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ARMED FORCES PERSONNEL SERVING ABROAD

Question No. 1,172—**Mr. Latulippe:**

1. How many Canadian military contingents are serving outside of the country?

2. How many servicemen are in each of these contingents and (a) who are their commanding officers (b) where is each contingent stationed (c) how long has each contingent been at its station, and (d) how much has Canada spent on each of these contingents since it was sent abroad?

3. What is each contingent's mission?

4. How many military representatives does Canada have in the diplomatic service?

5. How many Canadian military personnel are studying abroad or are abroad under military exchange agreements, and (a) where are they (b) what is their mission (c) how much does it cost the government in each case?

6. Has the government any statistics on the number of Canadians serving in the American armed forces?

7. Are there any Canadians serving in the armed forces of other nations?

8. How many exchange or co-operative programs are there between the Canadian armed forces and those of other countries?

Motions for Papers

9. Are the Canadian armed forces represented in any international or inter service research organizations and, if so (a) what are these organizations, (b) what has been Canada's participation in their activities, and (c) how much money has been spent in this connection?

10. How many political science teachers does the Department of National Defence employ?

Return tabled.

PUBLIC WORKS PROJECTS, COMPTON-FRONTENAC CONSTITUENCY, QUE.

Question No. 1,185—**Mr. Latulippe:**

1. How many public works projects have been carried out in Compton-Frontenac since June 18, 1962?

2. In each case, what was the nature of the project, who were the tenderers, what was the amount of each tender and, who was awarded the contract?

3. Since June 18, 1962, how many projects were carried out in Compton-Frontenac without calling for tenders?

4. In each case, what was the cost of the project, the nature of the work and, by whom was it performed?

Return tabled.

MOTIONS FOR PAPERS

Mr. J. B. Stewart (Parliamentary Secretary to Secretary of State): Mr. Speaker, there is no objection to notice No. 137. Will Your Honour please call notices Nos. 136, 138, and 139. I ask that the notices Nos. 133, 134 and 135 stand.

CLOSING OF RADAR STATION, ST. SYLVESTRE, QUE.

Motion No. 137—**Mr. Pigeon:**

That an order of the house do issue for copies of letters from citizens in the constituency of Lotbinière and of resolutions by municipal corporations in the constituency of Lotbinière addressed to the Prime Minister or other cabinet ministers, protesting the government's decision to terminate the operation of the radar station at St. Sylvestre.

Motion agreed to.

FILM "MR. PEARSON"

Motion No. 136—**Mr. Martineau:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house the full and unexpurgated version of the film "Mr. Pearson".

Hon. Paul Martin (Secretary of State for External Affairs): I wonder if I might ask the hon. gentleman whether he does not think that this motion, having perhaps served its immediate purpose, might be withdrawn. First of all, this is not the property of the crown or of the government of Canada. In any event, is it not most unusual to ask the government to produce a commodity? The hon. gentleman might ask us to produce papers, but to ask us to produce a commodity is surely to ask for something which cannot be achieved even by this administration.

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I attach a great deal of importance to the request made by the minister. Still, although it is somewhat unusual to ask for the showing of a film in this house, I think Your Honour will admit that a situation such as that brought about by the film "Mr. Pearson" is also rather unusual.

That is why I cannot accede to the minister's request and withdraw my motion.

On the other hand, I believe the house would be willing to debate the matter. I therefore ask that this motion be transferred for debate.

[*Text*]

Mr. Speaker: Transferred for debate.

CORRESPONDENCE WITH POSTMASTER, THETFORD MINES, QUE.

Motion No. 138—**Mr. Langlois:**

That an order of the house do issue for a copy of all correspondence, telegrams, and letters exchanged between the Postmaster General, his executive assistant, his parliamentary secretary, or the deputy minister of his department and the postmaster at Thetford Mines, from January 1, 1960 to June 30, 1964.

Hon. J. R. Nicholson (Postmaster General): I should like to assure the hon. member that all the correspondence he has asked for is intradepartmental and therefore privileged. In view of this fact I suggest he may wish to withdraw the motion.

Mr. Langlois: I should like to have this motion referred for debate, Mr. Speaker.

Mr. Speaker: Transferred for debate.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to direct a question to the Minister of Industry in connection with the Kitsilano property in Vancouver, British Columbia. Has the hon. gentleman been advised that Vancouver city council yesterday unanimously passed a motion that

a request in writing be made to the federal government for a 99 year lease for the whole of the said site? Further, has he been advised that the mayor of Vancouver and the city council strongly protest and reiterate that they are absolutely opposed to the C.B.C. taking over any portion of the reserve, and that the present zoning of the area is residential only.

Hon. C. M. Drury (Minister of Industry): I have in my hand a copy of a telegram from the mayor to the Prime Minister making the points the Leader of the Opposition has made. We have not yet received from the city of Vancouver the proposals to which reference is made in this telegram, and are therefore not in a position to deal with them.

Mr. Diefenbaker: Until the representation from the city has been embodied in a letter placed before the minister, will the minister assure the house that the C.B.C. will not be given any consideration with respect to the 15 acres which Mr. Ouimet desires to secure, and every opportunity has been given to the people of Vancouver, represented as they are by their council, whose wishes were made clear in this unanimous resolution?

Mr. Drury: Mr. Speaker, I can assure the right hon. gentleman that no decision will be taken in this matter until the representations of the city of Vancouver as well as the proposal from the C.B.C. have been received and considered.

Mr. R. W. Prittie (Burnaby-Richmond): A supplementary question, Mr. Speaker. I wonder if either the Minister of Industry or the Secretary of State could inform us whether the city council of Vancouver have made any firm proposal to the C.B.C. concerning a downtown site in place of the Kitsilano park site.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I am not aware of any concrete proposal made by the city of Vancouver to the C.B.C.

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I should like to ask the Minister of Industry, is it government policy to instruct Crown Assets Disposal Corporation regarding the sale of assets turned over to its jurisdiction?

Mr. Drury: Crown Assets Disposal Corporation acts under and in conformity with an act governing its operations passed by this parliament.

Inquiries of the Ministry

TRANSPORT

INQUIRY AS TO SUBSIDY FOR TRUCKING INDUSTRY

On the orders of the day:

[*Translation*]

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Transport.

In view of the situation in which the trucking industry finds itself in Canada, does the Minister of Transport intend to grant subsidies to that industry so it can face the increase in operating costs without raising its rates?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): I think the answer would be no to that question, sir.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance.

Is it his intention to exempt from income tax the trucking companies which are faced with such a situation at the present time?

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I do not think government policy in respect of taxation should be discussed on the orders of the day.

SASKATCHEWAN—REPORTED SHORTAGE OF BOX CARS

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): I should like to direct a question to the Minister of Trade and Commerce with regard to the box car shortage. I have had urgent calls this morning from the Weyburn area again stating that the elevators are practically all filled to capacity. Could the minister inform the house whether he has had a reply from the Canadian wheat board with regard to what they propose to do about the box car shortage?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, as I said to the hon. gentleman, as soon as I received notice of his question I was in touch with the wheat board, and they have told me that with particular regard to the C.P.R. Moose Jaw-Weyburn line they have placed shipping orders on the points situated on this particular line to provide for a quota of 8 bushels per specified acre plus a supplementary quota of 10 bushels per seeded acre for spring wheat.

Inquiries of the Ministry

Mr. Jack McIntosh (Swift Current-Maple Creek): A supplementary question, Mr. Speaker. Does the Minister of Trade and Commerce realize that shipping orders mean nothing at all if cars are not available?

NORTHERN AFFAIRS

QUEBEC—ADMINISTRATION OF ESKIMO AFFAIRS

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I have a question for the Acting Prime Minister.

Considering the deadlock to which have come the negotiations between the federal government and the Quebec government concerning the transfer of jurisdiction over the Eskimos, does the Acting Prime Minister intend to take steps toward changing the federal negotiators in that matter?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I do not think that this suggestion is justified. In my opinion the question is out of order. At any rate, the answer is no.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): A supplementary question, Mr. Speaker. I should like to ask the Minister of Northern Affairs and National Resources whether he agrees with Mr. René Lévesque who accuses the federal government of showing arrogance and favouritism with regard to Eskimo affairs?

[*Text*]

Mr. Speaker: Order, please. In my opinion the last two questions are out of order.

Mr. Pigeon: This is a serious charge, Mr. Speaker.

[*Translation*]

Mr. Grégoire: Mr. Speaker, I should like to put a supplementary question to the Acting Prime Minister.

Is the cabinet aware of the manner in which the negotiations are proceeding at present in this matter, and does it intend to make recommendations to the Minister of Northern Affairs and National Resources in order to improve those discussions?

Mr. Martin (Essex East): Mr. Speaker, the cabinet is looking into all those questions, including the one mentioned by the hon. member.

Mr. Grégoire: Mr. Speaker, on a point of order—

[Mr. Sharp.]

[*Text*]

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Winkler: Mr. Speaker, I have a question for the Minister of Finance—

[*Translation*]

Mr. Grégoire: Mr. Speaker, I raise a point of order. I believe I put an appropriate question to the Acting Prime Minister, since he is the one at the head of the government in the absence of the Prime Minister. I feel that my question was relevant and that the answer from the Acting Prime Minister was far from satisfactory; moreover, the Acting Prime Minister has not given us any information on what we asked him.

[*Text*]

Mr. Winkler: Mr. Speaker, I would like to ask the Minister of Finance—

Mr. Grégoire: On a point of order—

Mr. Starr: This is a subterfuge point of order.

Mr. Speaker: Order. The hon. member for Lapointe is rising on a point of order. If it is in connection with the last three questions, those three questions were out of order.

[*Translation*]

Mr. Grégoire: Mr. Speaker, on a point of order.

[*Text*]

Mr. Speaker: Order. The three questions were out of order in the first place; consequently there is no point of order.

REQUEST FOR STEPS TO PRESERVE HISTORIC ARTICLES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. Has he received some 100 telegrams from individuals and others in the Yukon concerning the preservation of historic articles of national importance and, if so, what action does he intend to take in this regard?

Mr. Speaker: Order, please. Surely this is a question for the order paper.

PUBLICATIONS

INTENTION OF GOVERNMENT RESPECTING PENDING LEGISLATION

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister

of Finance. Would the minister inform the house whether he and/or the government have decided permanently to shelve the legislation with regard to foreign publications, which was mentioned in the last throne speech?

Hon. Walter L. Gordon (Minister of Finance): No, they have not, Mr. Speaker.

EXTERNAL AFFAIRS

ACCEPTANCE BY RUSSIA OF UN PEACE KEEPING FORCE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is to the Secretary of State for External Affairs. In view of the fact that yesterday the Soviet union presented their plan for a world police force to the United Nations secretary general and the ambassadors of the United States and Britain at the United Nations, does the government have any word of this plan either from our representative at the UN or direct from the Soviet union?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, as I said yesterday, we have not yet received any formal communication.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): A supplementary question. Would the hon. gentleman say whether, in view of this initiative on the part of the U.S.S.R., the Canadian government would now consider taking steps to enlarge the proposed limited conference later this year of countries interested in a permanent force? I should also like to ask the minister this. When discussions took place in connection with this conference, was the Soviet union invited? Because apparently there was criticism.

Mr. Martin (Essex East): In answer to the right hon. gentleman may I say the Canadian government has already given an indication to the original invitees that, for reasons put forward by one of them, the conference could be expanded. There is no question of the proposed participants being only NATO countries, as has been charged in *Izvestia*. The original invitees were not all NATO countries. Discussions are now taking place in a preliminary way to see whether this conference could be extended to include countries from Africa and elsewhere that have had peace keeping experience.

I discussed this general subject with the ambassador for the Soviet union in Ottawa about a month ago and told him of our intentions. I said in answer to the article in *Izvestia* that the proposed conference was not intended to be restricted, but would include the countries which had had significant peace keeping experience of whom there are over 30.

Mr. Diefenbaker: Would the secretary of state say who were the original invitees who received an invitation from the Canadian government in this connection?

Mr. Martin (Essex East): The countries which were originally included were Denmark, Sweden, Finland, the Netherlands and Norway.

Mr. Diefenbaker: Have any other invitations gone out during the last month since the conversations to which the hon. gentleman has alluded, which he had with the Soviet ambassador, in an attempt to increase the ambit of the conference and enlarge the number of countries involved?

Mr. Martin (Essex East): No invitations have been issued, but there have been discussions at the United Nations with the countries concerned.

[*Later:*]

Mr. Andrew Brewin (Greenwood): I should like to ask the Secretary of State for External Affairs if, in view of the very great interest in the developing situation in Cyprus and also the interest in this house in the peace keeping proposals of the U.S.S.R., he is considering making a full report on the matter to the standing committee on external affairs where questions could be asked and the matter gone into thoroughly?

Mr. Martin (Essex East): I have been considering this, Mr. Speaker.

NATO—AGREEMENT RESPECTING EXCHANGE OF ATOMIC INFORMATION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Minister of Industry if he will make a statement soon to the house concerning the implications for Canada of the document tabled on June 30 by the minister for external affairs dealing with a new nuclear agreement among the parties to the North Atlantic treaty for cooperation regarding the exchange of atomic information?

Inquiries of the Ministry

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I propose at some time to do this. This is merely an agreement among NATO members pursuant to an amendment of the atomic energy act in the United States making information available to members of the North Atlantic treaty alliance. It has nothing to do with nuclear weapons as such. It is just to give NATO members greater opportunities for the exchange of atomic information.

Mr. Churchill: I was not referring to nuclear weapons. This is a new agreement replacing an old agreement. I was wondering if the house might be informed as to the changes inherent in that new agreement.

Mr. Martin (Essex East): I will be glad to do that.

POWER

COLUMBIA RIVER—REGISTRATION OF TREATY WITH UNITED NATIONS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Acting Prime Minister. Could the Acting Prime Minister inform the house if it is the intention of the government to register the Columbia river treaty with the United Nations if it is ratified?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I see no reason for the "if". Under the charter of the United Nations there is an obligation on all member states to register treaties, and of course Canada lives up to its international obligations.

BAY OF FUNDY—ACTION BY ATLANTIC DEVELOPMENT BOARD

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I should like to direct a question to the Minister of Transport involving the Atlantic development board. In view of the apparent shelving of the Passamaquoddy tidal power project by the United States, is it the intention of the Atlantic development board to speed up their study of the feasibility of harnessing the bay of Fundy tides from a power point of view?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, it would be impossible to speed up the study, because it is going at top speed already.

[Mr. Churchill.]

THE CANADIAN ECONOMY

STEPS TO MEET REPORTED INCREASE IN COST OF LIVING

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Finance. Has the minister read the dominion bureau of statistics report indicating a further substantial increase in the cost of living during the month of June? If so, is the government taking any action to prevent this increase getting out of hand?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I have seen this report but, as my hon. friend will appreciate, there are usually fluctuations from month to month.

Some hon. Members: Oh, oh.

Mr. Monteith: Always upward ever since this government came into power.

Mr. Gordon: If the hon. member will recall, there was no increase in the month of May. If he studied the report carefully he will also be aware that a big part of the increase, in fact far more than the over-all increase, was due to a rise in the seasonal items included in the food index, particularly vegetables, which is customary in the month of June. I might say that non-seasonal food items declined marginally.

An hon. Member: What about construction materials?

Mr. Pigeon: The 11 per cent tax.

Mr. Aiken: Mr. Speaker, may I ask the minister if he has read the d.b.s. returns for the past three or four years which indicate no such increase during the months of May, June or July?

Mr. Gordon: No, Mr. Speaker, I have not read returns which show that at all.

REPORTED STATEMENT RESPECTING POVERTY IN CANADA

On the orders of the day:

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of Finance. When he said, while in London, England, that the Canadian economy was prosperous, was the minister aware of the studies made by Professor Firestone of Ottawa University, who stated that 3,800,000 Canadians were living in poverty?

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): I think there was general agreement, Mr. Speaker, both in London and in this country that my statement to the effect that the economy is doing very well was correct.

TRADE

WHEAT—EXTENSION OF INTERNATIONAL AGREEMENT

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce in connection with the international wheat agreement. Could the minister inform the house whether any negotiations have taken place among the signatories to the international wheat agreement? If so, will the agreement be continued in its present form, and has agreement been reached as to the price of wheat?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, on June 25 the international wheat council made a statement about the status of the negotiations, which reads in part as follows:

> The council unanimously decided to recommend to member governments that the 1962 international wheat agreement, which expires on 31st July, 1965, should be extended in its present form without amendment. The duration of the extension will be discussed by the council at its November session but will not exceed two years.

Mr. Rapp: A supplementary question, Mr. Speaker. Does that mean that the price set in 1962 will continue?

Mr. Sharp: Mr. Speaker, if the council's recommendation is accepted that would be the implication.

DEFENCE PRODUCTION

REQUEST FOR AIRCRAFT REPAIR CONTRACTS FOR CHARLOTTETOWN PLANT

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of Industry, notice of which I gave him. Has the minister received an urgent communication from local 1937 of the international association of machinists requesting action to provide further aircraft repair contracts for the Charlottetown plant of Enamel and Heating to prevent the closing of this establishment? If so, has he been able to give the union any assurance on this important matter?

Inquiries of the Ministry

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I thank the hon. gentleman for giving me notice of the question. I have had a search made and no record can be found of any communication from the union local in question. I have had, however, on behalf of the plant in Charlottetown representations made to me by my colleague, the minister from the island.

ADMINISTRATION OF JUSTICE

REQUEST FOR CONSIDERATION OF LEGISLATION TO ABOLISH CAPITAL PUNISHMENT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Justice. In view of the desirability of our dealing with the question of capital punishment when we are not involved with any particular case, and in view of the fact there will now be no hangings for the next couple of months, would the government consider either providing government time for Bill C-12, in the name of the hon. member for Danforth, or bringing in its own bill to abolish capital punishment in Canada?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I will take the question as notice and give it consideration.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, arising out of the question that has just been asked, now that it is no longer a matter of impropriety to ask questions regarding the postponement of execution in the Georges Marcotte case, would the minister table the order in council in which the governor general in council decided that the law should take its course and, second, the order in council delaying the execution for one week?

Mr. Favreau: Mr. Speaker, we will be pleased to table immediately any orders in council relating to this matter.

SOCIAL ASSISTANCE

SASKATCHEWAN—PROPOSED REQUIREMENT THAT RECIPIENTS WORK FOR AID GIVEN

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to direct a question to the Minister of Finance concerning a matter which has been raised in the house before, the answers to which have not been fully satisfactory. I am referring to the question

of the missing missive from Saskatchewan. The minister of welfare of the province of Saskatchewan claims he has written a letter to the federal government. The parliamentary secretary of the Minister of National Health and Welfare said that no such letter had been received, and the minister said yesterday she had received no such letter. I now ask the Minister of Finance to look at his records to see if any letter has been received from the minister of social welfare in Saskatchewan concerning recipients of social welfare payments working for what they receive.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I do not know if my hon. friend was referring to missives or missiles, but I will be glad to see if the missing missive is in my department.

AGRICULTURE

QUEBEC—PROCEDURE RESPECTING APPLICATION OF ARDA

On the orders of the day:

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I should like to direct a question to the Minister of Forestry concerning the administration of ARDA in Canada. Since he is supposed to have met the Quebec minister of agriculture lately, can he tell the house whether his comprehensive plan is exactly equivalent to the plan of the Quebec minister of agriculture and whether the ARDA program is acceptable at this stage of the operations?

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, we have agreed on the interpretation to be given to ARDA in the province of Quebec.

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I should like to put a supplementary question to the minister. Could he tell the house whether they have also agreed to help the farmers?

Mr. Sauvé: Yes, Mr. Speaker.

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to direct a supplementary question to the minister. Could he tell us what will be discussed at the federal-provincial conference on ARDA?

Mr. Sauvé: Mr. Speaker, I have already announced that we will meet at the end of August or the beginning of September probably, to review the federal-provincial agreements respecting ARDA.

[*Later:*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to ask the Minister of Forestry a question following the meeting held at Mont Joli, over the week end, to deal with ARDA.

Could the minister tell us whether, besides general agreements signed by the ten provinces in October 1962, the federal government has concluded agreements made with the province of Quebec in 1962?

Mr. Sauvé: Mr. Speaker, the house might allow me to take that question into consideration and give an answer to the hon. member tomorrow.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, in view of the prolonged absence of the federal Minister of Agriculture and of the urgency of the matter, I should like to ask the Acting Prime Minister whether the government intends to introduce, during the first part of the session, in case we have a vacation, legislation to reduce the cost of feed grains for eastern farmers, in view of the fact that Quebec agriculture is going to the dogs?

Mr. Sauvé: Mr. Speaker, you might allow me to reply and say that we are now considering the matter. I think that next week we will probably be in a position to announce a decision concerning the payment of trucking charges for feed grains for all farmers in eastern Canada.

Mr. Pigeon: Mr. Speaker, the Minister of Forestry did not answer the question I put to the Acting Prime Minister. I asked the hon. gentleman whether the government intends to bring forward, during the first part of the session, legislation enabling eastern farmers to obtain feed grain at a price below the prevailing prices and that, during the present year. Moreover, the minister should travel a little more through Quebec, through eastern Canada, instead of going to Europe—

[*Text*]

Mr. Speaker: Order, please. This is not the time for speeches.

[*Translation*]

Mr. Vincent: Mr. Speaker, I should like to direct a supplementary question to the Minister of Forestry. Can he tell the house whether the studies in progress at present include the suggestion made by the Canadian Federation of Agriculture and the catholic

farmers' union, regarding the setting up of a feed grain agency for eastern Canada?

[*Text*]

Mr. Speaker: Order, please. I am afraid the fault is mine, since I have permitted a few questions which really, in fact, should be on the order paper. The last question is a very good example of a question which should be placed on the order paper, since it requires a detailed reply.

[*Translation*]

Mr. Langlois: Mr. Speaker, I wish to direct a supplementary question to the Minister of Forestry and "rural removal". Can he tell the house whether, during the conversations he had with the minister of lands and forests and the minister of agriculture of the province of Quebec, they talked about the contribution the federal government could make to help farmers who have lost all their sugar crop this year?

[*Text*]

Mr. Speaker: This is a question for the order paper.

[*Later:*]

Hon. Alvin Hamilton (Qu'Appelle): I should like to direct an associated question to the Minister of Forestry concerning the statement he has promised the house tomorrow. The question I should like to have answered in his statement tomorrow is this. Will the minister make clear the requests of the province of Quebec concerning the extension of shared programs with the federal government? As I understood the statement at Mont Joli, Quebec is going to ask for an increase in shared programs in connection with ARDA. In his statement tomorrow, will the minister consider making this position clear?

Mr. Sauvé: I will, Mr. Speaker.

REQUEST FOR REINSTATEMENT OF GRANTS TO FAIRS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): I have a question for the Minister of Agriculture or in his absence his parliamentary secretary. I am wondering if the government would consider the immediate reinstatement of grants to agricultural societies in regard to class A and B fairs?

Mr. Speaker: Surely this is a question for the order paper.

Inquiries of the Ministry

CITIZENSHIP AND IMMIGRATION

REPORTED STATEMENT BY VANCOUVER FOOTBALL PLAYER

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): I have a question for the Minister of Citizenship and Immigration. Will the minister take note of an article on the sports pages of today's *Globe and Mail* in which a player for the Vancouver Lions football club is reported as stating he will apply for Canadian citizenship if the football club makes it financially worth while? Having noted the reported comment, will the minister make it known to this young man that we Canadians value our citizenship, and it is not to be made available to professional athletes so they may improve their bargaining position with the club which employs their services?

Mr. Hubert Badanai (Parliamentary Secretary to Minister of Citizenship and Immigration): I shall bring the question to the attention of the minister.

SHIPPING

SUGGESTED REVIVAL OF MERCHANT MARINE

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): I have a question for the Minister of Transport. Is the government study on reviving the Canadian merchant marine proceeding at top speed, to use the minister's own words, and in particular will the minister give details of the engagement of several economists to study the economic feasibility of reviving the merchant marine, as announced recently?

Hon. J. W. Pickersgill (Minister of Transport): I will be glad to look into all the implications in the hon. gentleman's question.

Mr. Bell: Will the minister keep in mind that the revival of the merchant marine is very necessary in order to replace the orders the shipyards lost when the Minister of National Defence so ruthlessly scrapped the navy program?

Mr. Pickersgill: I have duly noted the non-partisan observations of the hon. gentleman.

INDUSTRY

QUEBEC—DISCUSSIONS RESPECTING ESTABLISHMENT OF AUTOMOBILE INDUSTRIES

On the orders of the day:

Mr. Raymond Langlois (Mégantic): Mr. Speaker, may I direct a question to the

Minister of Industry. Has the minister discussed with the Quebec provincial government the possibility of establishing either the Renault or the Peugeot car industry in that province and, if so, has the minister any information to give the house today?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, there have been discussions with representatives of the provincial government on this question, but I have no statement to make.

TERRITORIAL SEA AND FISHING ZONES

LEGISLATION RESPECTING TERRITORIAL WATERS AND FISHERIES LAWS

Hon. Paul Martin (Secretary of State for External Affairs) moved that the house go into committee to consider Bill No. S-17, respecting the territorial sea and fishing zones of Canada.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. MacLean (Queens): I presume the minister has a statement to make.

Mr. Martin (Essex East): The standing committee on marine and fisheries carefully studied this matter after the bill had been referred to it. I need not repeat evidence given before the committee, except to point out that in addition to my colleague the Minister of Fisheries and myself, there were representatives of other government departments involved.

Mr. Barnett: On a question of order, some of us on this side are interested in what the Secretary of State for External Affairs has to say, and I am wondering whether some of his non-fishing colleagues might be pleased to give us that opportunity.

The Chairman: Order, please.

Mr. Martin (Essex East): I was saying I hoped, in view of the discussions we had in committee, that it would not be necessary to make an additional statement. However, I accept the suggestion of the hon. member for Queens (Mr. MacLean).

The committee on marine and fisheries had a thorough discussion of the proposal in this bill for the establishment of a 12 mile fishing zone, and agreed with its provisions that the government be given the necessary power to establish straight base lines.

[Mr. Langlois.]

In the committee I indicated that it was the intention of the government, when this bill was passed by parliament, to establish without delay the fishing zones of Canada, and I indicated that this might be done by bringing into effect those portions of the bill relating to fishing, while deferring until a later date proclamation of the rest of the bill. After this testimony my colleagues and I considered the matter further, and subsequently the Minister of Fisheries stated on my behalf in the committee that the government did not expect any undue or substantial delay in bringing the entire bill into force. Therefore the situation is that there will be no delay in proclaiming the bill in its entirety after it has passed through the house and received royal assent.

I should like to take this opportunity to emphasize one or two points which my colleague and I mentioned in the standing committee. When the bill is proclaimed the immediate effect will be that the fishing zones of Canada will be established from existing base lines. These base lines will follow mainly the sinuosities of our coast line, pending the drawing of straight base lines by the governor in council under clause 5 of the bill.

Those countries with which we are not having negotiations will therefore be immediately excluded from the fishing zones, and their vessels will be subject to penalties under the Coastal Fisheries Protection Act if they operate in those areas. This will be of great importance to Canada in view of the rapid development by certain countries of large, modern fishing fleets capable of operating very far from their home ports.

I would like to inform the committee that during the next few months we will be having another round of talks with a number of countries that are affected by the action we are taking. Negotiations with France and Britain will take place in July, and with others later in the summer and autumn.

In order to maintain the friendly atmosphere in which our negotiations with these countries have been taking place, and to facilitate their conclusion, we do not propose, as I have already informed the house, to interfere with the fishing of these particular states during this temporary period of our negotiations. When the bill is proclaimed the coastal fisheries protection regulations will be amended to allow the countries with which we are holding discussions to continue fishing pending conclusion of the negotiations, when final arrangements will come into effect.

The hon. member for Queens (Mr. MacLean), whose own experience in this matter is extensive and who has been very helpful in the discussions on this matter both in this chamber and in the committee, mentioned the need to table promptly in parliament all orders in council made under the proposed act, in particular orders made under clause 5, relating to the delineation of straight base lines. Such tabling is required by the Regulations Act, but even if it were not so required I would be glad to assure the committee that every order in council made under this bill will be tabled in parliament without delay. I mentioned this matter privately to the hon. gentleman, I believe yesterday, and he raised a certain point. I find that the situation is as I have stated, and I do not believe he need have any concern in that regard.

This bill will have implications not only for Canadians now living but for future generations. It means a great deal to the fishing communities in our country. I would hope that this parliament would speak with one voice in the passage of this bill. In doing so parliament would be declaring to the world that the government, in taking this action is speaking for all parties in the House of Commons; and this, I am sure, would be a very important factor in the remaining portion of the negotiations upon which we will be embarking. I need not say anything more at this stage.

This bill will establish a 12 mile fishing zone in Canada. It will enable the government to establish the straight base line system. The straight base lines are not spelled out, for the reasons we gave in the committee, because this would interfere with the negotiations that are under way. This is following the practice established by other countries who have initiated new fishing zones based on the straight base line system, countries such as Norway and Iceland, and other countries I mentioned in the committee.

I commend this bill to the committee as being in the interests of Canadian fishermen and Canadian fisheries, and in the interests of Canada as a whole.

Mr. MacLean (Queens): I wish to thank the Secretary of State for External Affairs for his statement. I might add that this bill has been carefully and thoroughly studied by the standing committee on marine and fisheries. Witnesses appeared before us representing various interests, and a very complete study of the measure was made.

Of course this legislation is a stage in a long process which has been going on for a number of years, the process of obtaining for Canada as far as possible exclusive rights for Canadian nationals in waters adjacent to our coasts. There is a difference of opinion on this, so I will not take up the time of the committee by restating arguments already made, but I personally think it is a great pity the legislation before us is not the culmination of this process. In my view the situation today would be more satisfactory if this could have been the case. I think the government now recognizes some of the stumbling blocks and difficulties which exist. It is not just a case of making some unilateral declaration which no other country is going to question, because other countries feel they have rights, and in any case they have means of retaliation should they wish to use them, if this question is not handled in a reasonably diplomatic fashion.

I believe the government is doing that. I am not criticizing the actions the government has taken, but I am criticizing the background which has been created and against which this bill is being introduced. I have no evidence to suggest that either of the two ministers who are now responsible were guilty in this regard, but a great many loose statements were made during the election campaigns to the effect that this was a simple matter; that all you had to do was make a proclamation and foreign fishing vessels would disappear. Indeed, it was suggested that the only reason this had not been done long since was that other governments, previous governments, were dilatory or did not take their responsibilities seriously. Of course anyone who is familiar with the situation knows that this is not the case.

I appreciate the generous remarks of the Secretary of State for External Affairs with regard to the efforts made by the previous government and by myself and other people in this connection. I should like, if I may, to digress for just a moment to pay tribute to the excellent work which has been done by the negotiators on behalf of Canada. I am thinking chiefly of senior civil servants, who have been an excellent negotiating team for Canada in this connection.

As I said earlier, I do not agree with the sequence of events. I would have hoped the government would not feel it was obliged to bring in legislation at a given time. I admit at once that this bill will have one helpful effect; that is, it will declare an exclusive fishing zone measured from our present base lines. But how much better it would have been if, before the end of May, as

no doubt the government hoped, negotiations could have been completed to the stage where this legislation might have included the results of those negotiations so the minister could have made specific statements to parliament about what had been achieved. He could, for example, have told us what conditions had been agreed upon with regard to the tapering off period with respect to historic rights. A statement could have been made explaining precisely what the geographical co-ordinates were, and so on.

In this regard I should like to ask the minister a question which he may be able to answer later. I wish to refer to a news item which emanated from Washington last December. It reads as follows:

> The Canadian government has surrendered a point upon which it strenuously insisted at the law of the sea conferences in Geneva in 1958 and 1960—that U.S. fishing rights within 12 miles of Canada's coasts cannot be maintained unlimited and in perpetuity.
>
> Both external affairs minister Paul Martin and fisheries minister Hedard Robichaud said here yesterday that historic rights of U.S. fishermen will not be affected when Canada establishes a 12 mile national fishing zone, as it is proposed to do next mid-May.

I realize that some of this terminology may be loosely applied. I gather the government does not contemplate entering upon any negotiations to withdraw from or abrogate any treaty rights. But the report uses, I believe, the term "historic" in this case, and I should like to know whether the report is accurate when it says the government does not intend to negotiate with the United States on the question of historic fishing rights apart altogether from the treaty rights. Are these historic rights to remain permanent? That is a question I should like to have answered if at all possible.

This legislation, as has been said, is permissive for the most part. It does establish an exclusive fishing zone, but as far as the following are concerned, that is to say the establishment of the base lines, the geographical co-ordinates upon which the base lines are to be drawn, and the establishment of national waters by including them inside base lines—and I am referring here to bodies of water such as the gulf of St. Lawrence—this bill is only permissive. I hope the legislation will not, in these circumstances, become a ruse or a stratagem to have people believe that more progress has been made than has actually been accomplished.

What I am saying is that with regard to the latter points I have mentioned, the bill will have no effect at all until the negotiations

are complete. For my part I hope these negotiations can be successfully terminated without too great a delay. The Secretary of State for External Affairs and, I think, the Minister of Fisheries both told the house that this legislation would strengthen their hands in these negotiations. If that is true I support the legislation on that ground alone, as well as for some other reasons. But I think this is a debatable point. Perhaps its passage would weaken the hand of the negotiators; because when this bill is passed, and the negotiations are still not complete, all our people can do is continue to negotiate. On the other hand, if the legislation had not been passed our team could still say to representatives of other countries "If you are not going to be reasonable about this I am sure the Canadian parliament will declare unilaterally that we will take these rights".

This is, of course, a debatable point and a matter of opinion. I think we are all agreed that although technically we may be acting unilaterally as a result of taking action in parliament, in practice there is very little room to act unilaterally, at least in an arbitrary way. This is a world community as far as fishing is concerned, and we have to act in a way that will not be detrimental to us in dealing with our neighbours at the present time or in the future. However, I see very little difference between these negotiations and any previous negotiations dealing with world fisheries. In every other case—that I know of, in any event—the negotiations were completed, the agreement was signed and then it was ratified by the introduction of a bill which was passed by parliament. This would apply to the north Pacific treaty and to any other treaty you wish to name in connection with fisheries negotiations with other countries. I think this would have been a more logical way to approach this problem.

I recognize that this bill will do one thing; that is, it will proclaim an exclusive fishing zone based on our present base lines, and that has merit. But I think consideration should have been given to the introduction of a bill which included just that, plus a declaration that certain bodies of water, geographically described, were Canadian national waters and would not just become such by virtue of an order in council to be passed some time in the future. I think that would have been a neater, more decisive way of doing it.

But I am not going to quarrel about details. I think a great deal of hard work was done on this bill but, as I have already stated,

immediately the government came into power, if they did not know this before—and I think the two ministers concerned did know it—they should have known that this is not just a matter of a unilateral statement, even by legislation, which everyone is going to accept. For instance, at the meeting in Hyannis Port, according to the news report I read, the President of the United States reserved his position on this matter. At least one news report I read stated this. This meant that the United States had certain reservations in this connection. It is only natural that other countries will react in this way if they feel or suspect that their rights may be prejudiced.

I mentioned specifically the historic fishing rights position of the United States. I would like to have also, if it is possible, some statement with regard to what is contemplated in respect of the length of time historic fishing rights held by other countries are expected to be recognized; or is there going to be a phasing out process in this connection?

I want to thank the Secretary of State for External Affairs for mentioning the question of the tabling of the orders in council which will result. Like him, I also checked on the Regulations Act and found that, happily, the minister has no choice but to table them within 15 days of their being published in the Canada Gazette. That is a useful safeguard as far as parliament is concerned. But as I have already stated, I think from a legislative point of view the sort of blank cheque aspect of the powers that are granted the government with regard to the location of these geographical co-ordinates is bad legislation.

It is true that both ministers have said they do not expect to take action as a result of these powers which would be unreasonable, and so on; nevertheless the fact remains that there is no limitation on where these geographical co-ordinates can be placed. I think we should put some limitation on this, in the same way that on a cheque it is stated "Not good for more than $100". We should let the government fill in the exact amount, as it were, when they know what it is going to be. We do not expect at this juncture that the government is in a position to state exactly where these co-ordinates are going to be, but I think there should be in the legislation some limitation as to where they might be. I say that, Mr. Chairman, not in a critical way with regard to this government, but I am concerned with the principles of the matter. I think it is unwise for parliament to ever grant wider powers than those that are needed for the purpose in hand.

However, the drafters of this legislation have done a reasonably good job, I think. They have been most ingenious in drafting what must have been a fluid bill, a bill that would do what was needed to be done at this juncture and would give permissive powers to do what remains to be done; and the minister might have suggested, too, that it should be made to look as if it is doing at least as much as it is doing, and preferably quite a bit more than it is actually doing.

I regret that with regard to the co-ordinates there is not some limitation which is more specific and which would have removed some doubts from the minds of interested parties, such as were mentioned by witnesses who appeared before the committee and expressed anxiety on the part of their clients that base lines might be drawn from the mainland of Nova Scotia to Sable island, thereby intersecting a well known international air corridor which passes over what are now the high seas, and as a result of this measure aircraft would be passing over what would be technical Canadian territory, which would subject them to the possibility of additional tolls and various other things that might occur in the future.

As the Secretary of State for External Affairs is aware, this party supports the principle of this bill in general terms. Had some slight changes been made in the details of the bill, which I have enumerated, and had the bill come as a crescendo at the end of these long years of negotiations, as a culmination of successful negotiations, we would have been able to support it wholeheartedly and without any reservations whatsoever.

I think it is rather unfortunate, at least from our point of view, that this is not the case. Nevertheless it is a step forward. There are negotiations yet to be carried out. I hope the minister is correct in his statement that this bill will strengthen his hand. We remember that only a year and a half ago, of course, they were the strong-armed people. They claimed they had all the strength needed. All the strength they needed then was to be elected and to form a government. I do not quarrel with that, but I hope the contention that it will strengthen their negotiating position is correct and that the results of this legislation will be as happy as we all hope.

Mr. Barnett: Mr. Chairman, this bill has been reported back to the committee of the whole from the standing committee on marine and fisheries. I for one have no desire to attempt to duplicate in this debate that which was done in the standing committee on marine and fisheries. However, I think there are a few matters arising out of the proceedings of that committee which can properly be brought to the attention of this committee at this time.

Hon. members will recall that at the second reading stage of the bill we made clear by way of an amendment that we considered this a rather weak and futile bill to deal with a very important subject matter. While we are strongly in support of the general objective, we really do not consider the present bill to be a very satisfactory vehicle for dealing with this situation, either with regard to the terms of the bill or as to the timing of its introduction while negotiations are still in progress.

In the standing committee on marine and fisheries we sought to expand upon this position and to present some alternatives to the committee which we felt would better serve the purposes that I am sure all hon. members of the committee have in mind. It will be recalled that one of the points of difference —in fact, the hon. member for Queens (Mr. MacLean) made reference to it in the course of his remarks—is the question as to the manner in which the base line co-ordinates should be established. The Secretary of State for External Affairs and the Minister of Fisheries have indicated that the immediate effect of the bill is to establish a 12 mile fishing zone. In the committee I sought by way of amendment to propose what was in effect a compromise to the views which had become apparent as matters of difference on second reading by suggesting, in effect, that the committee should report back to the house the recommendation that the bill be separated; that we should then proceed immediately to enact a bill which would bring into effect a 12 mile fishing zone; and then at a later stage, when negotiations were completed and the government was in a position to tell us exactly what conclusions it had arrived at in its discussion with the other countries concerned, we could then enact a bill which would establish the co-ordinates in detail in respect to where the straight base lines would be established, which would clearly define which waters were being taken in to become part of the internal waters of Canada.

[Mr. MacLean (Queens).]

The majority of the standing committee did not see fit to support this proposal, and following failure of that proposal we took steps to put forward, at least for the record, our position in respect of this matter of establishing base lines by suggesting an amendment which would have clearly set out in the bill base lines which would have been established by sets of co-ordinates pretty well along the line of the base lines which were suggested in the submission of the fisheries council of Canada. However, there again the majority in the committee did not see fit to support such amendment, and while I realize it would be within my rights to introduce a similar amendment in the committee of the whole, I do not propose to do so because I think it would be a duplication of effort and really would not accomplish anything fruitful in view of the position which was taken in the standing committee.

While the hon. member for Queens (Mr. MacLean) voiced at least some objection to the proposals in the bill very similar to the objection which I expressed, I am rather regretful of the fact that he did not see fit to support my objection in a more direct and forthright manner than he did either on second reading stage or in the standing committee. I got the impression while listening to his earlier remarks that he was simply pointing out to the committee that during the time he was a member of the former government he and his government had perpetuated the position of the administration previous to them, which had consistently appeared to be afraid to grasp the nettle of this question. I may say I am happy that the present administration has moved at least one step toward grasping this nettle, and in that respect I commend its actions over and above that of the two preceding administrations, one of which was of course Conservative, the other being the former Liberal administration.

I have tried to make it clear right through the proceedings that parliament itself should, as far as I am concerned, be the body which establishes by clear and definite acts what will actually become the official boundaries of this country. In my view it is not appropriate, regardless of what the Secretary of State for External Affairs may say about the practice in other countries, that any body other than the parliament of this country should be the one which defines the boundaries of Canadian sovereignty. Changes in those boundaries should be brought about only as a result of direct action by the parliament of

Canada in a form which makes such action specifically part of the statutes of Canada.

About the time that the proceedings in the standing committee on marine and fisheries reached their conclusion some member in the house, during the course of a discussion about another matter, brought back to our attention a phrase which is becoming rather well known and is taken from a speech of the Prime Minister, in which he suggested that this is a time "to excite the daring". I should like to suggest, Mr. Chairman, that in the approach which has been taken to this matter, certainly as far as I have been able to see from the statements which have been made to us by the Secretary of State for External Affairs, his actions have been neither very exciting nor very daring. To come to the point which causes me to feel this, let me say at once it is because he has indicated more than once in the course of our discussions that he has no intention of raising with the United States in particular the question of the perpetuation of these old treaty rights. If I understand him correctly—and the hon. member for Queens (Mr. MacLean) raised this point—he has also indicated that he has no intention of discussing with the United States any revision or phasing out of their so-called historic fishing rights.

In the committee I tried to make it clear that our dealings with the United States should be on the basis of dealings with a good and friendly neighbour, but from any experience I have had in dealing with Americans as individuals I certainly feel that if there is one thing they understand it is straightforward and forthright dealings. I think we should have laid our cards on the table and have said we feel that these rather archaic treaty rights, which came into being at a time when we were not in a position to negotiate on our own behalf, should now go by the board. I think this would not be entirely a one-sided proposition.

I raised this question in the committee and the only answer I got from the Secretary of State for External Affairs was that it would not be in our national interest to do this. That is a flat declaration, but up until this time the minister has given us no indication whatsoever in what respect it would not be in our national interest. Quite frankly, I cannot help having some suspicion that what is happening is that our fishing interests are being sacrificed for some other unnamed and unspecified national interests, and I think this committee should be entitled to further information on which we can assess and judge whether the minister's statement is anything more than an unsupported declaration.

Mr. Martin (Essex East): I do not want to interrupt but I can assure my hon. friend that is not the case.

Mr. Barnett: I am not quite sure what the minister is indicating is not the case.

Mr. Martin (Essex East): I do not want to interrupt my hon. friend, who is making a very interesting and serious speech, but he said that I had replied that it was not in the national interest. Then the hon. gentleman queried what I meant by national interest. Was it related to some other area? Were the fishermen being sacrificed to satisfy another aspect of the national interest? I assure my hon. friend that is not so. The national interest involved in this case comprises the fisheries industry and the fishermen of Canada.

Mr. Barnett: Mr. Chairman, I have indicated several times during the discussion of this matter that I recognize that the Secretary of State for External Affairs cannot give us every detail concerning negotiations that are still in progress. I recognize the validity of his contention in that regard and, of course, I can only accept his statement that the fishing interests are not being sacrificed to some other aspect of national interest. But I still should like to know in much more definite terms the full details of why that is so. This brings me back, of course, to the contention that has been made, that it is a rather unsatisfactory state of affairs to be discussing this bill when negotiations with other countries are still in progress and when we cannot be made acquainted with the details of negotiations or be told what conclusions have been arrived at in order that we as members of the house may make a fair assessment of the validity of the claims that are being made by members of the government in this connection.

I took the trouble, Mr. Chairman, to look at some of the old treaties, perhaps in a rather cursory way, and to bring to the attention of the standing committee my feeling that over the years since the original treaty rights were established as part of the general package settlement in the first instance at the termination of hostilities between the United States and Great Britain in 1783, the original rather balanced provisions of the treaty had been whittled away in a rather one-sided manner. In other words, the original concessions which were granted by the United States to us had vanished while the United States had pretty well retained the original rights it received.

I drew the attention of the committee to the fact, for example, that the original treaty of 1783 gave us the right of navigation forever from the source to the mouth of the Mississippi river. We were granted free passage for all time. It was pointed out that that right was abrogated by the treaty following the war of 1812. I was interested in the question of river navigation perhaps because of being a British Columbian and being aware that we have enjoyed navigation rights on another river—

Mr. Martin (Essex East): And being a good and adventurous man, too.

Mr. Barnett: —which has been the subject matter of some discussion in the house not too long ago. I am referring, of course, to the Columbia river. If I may say so without being too serious about it, I was somewhat amazed that when I ask the Secretary of State for External Affairs whether we still enjoy the rights of navigation on the Columbia river conferred by the Oregon treaty of 1846 he was not able to give me an offhand answer to that question. I was later informed that we still enjoy the right of free navigation of the Columbia from the international boundary to its mouth.

I bring this forward, not for any snide purpose by way of indicating that the minister does not yet know all the details regarding the subject of external affairs but to point out that I think it was a rather serious omission on the part of the Secretary of State for External Affairs, in opening these negotiations with the United States, that it did not occur to him that this might very well have been an important bargaining point in the discussions with the United States. I contend that this of itself provides a very valid reason for suggesting that there be some revision of existing treaty rights between our two countries.

While the suggestion I am now going to make may create a somewhat nostalgic reaction on the part of my colleague, the hon. member for Kootenay West, I do suggest quite seriously to the minister that when he renews negotiations with the United States he should raise this question and perhaps suggest to the United States that we would be willing to swap our rights of navigation on the Columbia for those old treaty fishing rights. I think he can do that nicely. I also think it might not be altogether amiss if it were to be pointed out to the United States that for practical purposes they have virtually abrogated the treaty provision with regard to our right of navigation on the Columbia river without, as far as I am aware, ever discussing the matter with Canada. They did so when they built the original power dams across the Columbia. Those of us who live in the west know that there is no provision for ship navigation around Grand Coulee dam on the Columbia river.

I think that is the kind of approach that we as a free and sovereign nation should take. We are talking at least about having a distinctive flag and in my view we could very well point out to the United States that we want to sit down with them on a friendly basis and balance out a few of these things that have gone on in the past. Certainly we would not ask them to blast Grand Coulee dam out of the Columbia river at this stage of events in order to restore to us our treaty right to free passage on the Columbia. However, in exchange for our formally abrogating those rights we could very well request them to restore to us full sovereignty along sections of the Atlantic coast where under these old treaties they have rights which they must admit are not consistent with the full sovereignty of the Canadian nation.

I think this would put the whole situation in a context that would be a little more exciting, a little more daring, without making us obnoxious or antagonistic to our friends in the United States. Let us let them know this Canadian nation to the north is a nation which they should regard as a sovereign nation and which expects to be treated as equal even though it may not have as large a population as our cousins to the south have within their borders. This is the kind of approach I should like to see the Secretary of State for External Affairs take in his dealings with the United States. I think it could be presented in language which the people of the United States would understand. I feel the same thing should apply with regard to this matter of the claims to historic fishing rights and the negotiations on the phasing out period.

The hon. member for Queens (Mr. MacLean) suggested there is some question about whether or not this is going to be done. I certainly have a very clear impression that the Minister of Fisheries and the Secretary of State for External Affairs have told us they are not even going to raise this question of the phasing out of historic rights so far as the United States is concerned. Certainly, so far as the west coast of Canada is concerned it is abundantly clear the only nation that really has these so-called historic rights is the

United States. Unless we can come to some conclusion on this matter with the United States which provides for a phasing out, this whole action is more or less an exercise in futility so far as the improvement of the Canadian fisheries position is concerned.

This would not be a completely unprecedented action on our part. I happened to come across an article in a treaty between the United States and Great Britain in 1871. Article XVIII of that treaty provides for one of the forms of the renewal of the fishing rights of United States nationals in Canadian waters. Article XIX provides for reciprocal rights for Canadian fishermen in United States waters. It gives us those rights in terms fairly similar to those which were conferred upon the fishermen of the United States at that time. I should like to draw to the attention of the committee, Mr. Chairman, article XIX, and I quote briefly from it:

> It is agreed by the high contracting parties that British subjects shall have, in common with the citizens of the United States, the liberty, for the term of years mentioned in article XXXIII of this treaty, to take fish of every kind, except shell-fish, on the eastern seacoasts and shores of the United States north of the thirty ninth parallel of north latitude—

Now, article XXXIII of the treaty indicates that this right which is conferred by article XIX is to remain in effect for a period of ten years, and after that it will terminate. It seems to me, as I say, that this idea of a phasing out period is something which has been in existence in relation to the United States at least since 1871. I think it would not be out of place for us at this time to suggest to the United States that perhaps the thing be done in reverse to what it was in 1871. Certainly I hope before these negotiations are concluded that, in addition to the appropriate establishment of base lines we are going to have a clearcut understanding with the United States as well as with some of those other countries to which the minister referred, that we want this phasing out period; that we are not going to be satisfied in our negotiations until that has been achieved.

As I said earlier, Mr. Chairman, I have no desire to attempt to repeat in the committee of the whole house what took place in the standing committee on marine and fisheries. For that reason I am not going to take the time of the committee to attempt to reintroduce any of the amendments which I proposed in the standing committee on behalf of the New Democratic party. If the pattern of events is the same in committee of the whole as it was in the standing committee, I assume that this bill will be reported to the house from this committee very probably without amendment and will come up for third reading in due course. I certainly am not going to oppose passage of the bill on third reading. I think the form of my amendment at the second reading stage made it clear that it was the manner and method of achieving the purpose of the bill rather than its purpose that we were opposing. In concluding I will agree with the hon. member for Queens (Mr. MacLean) by saying that, as far as it goes, it is a step in the right direction. We certainly intend to support its passage on third reading if it does reach that stage without any further amendments.

Mr. Patterson: Mr. Chairman, I only wish to register continuing support at this stage for Bill No. S-17. I do not see that much can be gained or would be gained by a repetition of the arguments that have been submitted at other stages of this proposed legislation. It seems to me that matters were covered quite fully, even although some of the answers might not have been just what we had hoped we would receive. Nevertheless, it has been indicated that is as far as we can get in obtaining information, especially considering the fact that these negotiations are still in progress.

There is increasing interest, of course, in the objective this measure seeks to achieve. I do not think there is any question about it; there is general support for the idea that has been submitted and the objective that is set out in this particular measure. The fishermen's organizations have been very definite in their criticism of this measure. Those who were members of the committee on marine and fisheries are well aware of the bases for these criticisms. The fishermen have had an opportunity now to appear before the committee and make their views known. This is something they had wanted for a considerable length of time, and I am sure it is something that should have been granted to them.

There are two or three main criticisms, and these have been referred to by other speakers. One was the failure of the government to specify the geographical coordinates. As has been pointed out by the Secretary of State for External Affairs this is something he feels would have interfered with the negotiations that are currently under way. The other main criticism, it seems to me, was the somewhat indefinite position in which we still find ourselves relevant to the existing fishing rights. These have been divided into two, the treaty rights and the

historic fishing rights. I believe we were advised that so far as the treaty rights are concerned they are exercised to a very limited degree at present, and I am of the opinion that something could and should have been done with respect to renegotiation of these treaties. Just because they have been in effect so long, and because the other parties may not have appreciated the issues being raised, this constitutes no reason why they should not be renegotiated. Some of the arguments submitted by the hon. member for Comox-Alberni are very relevant and the minister should take them under advisement.

The historic rights issue has been discussed at some length, particularly the phasing out period, and another matter raised was the limitation regarding catches. I imagine these are some of the things the minister will take into consideration and work out in the process of negotiation.

We have every right to expect that the government with courage and tenacity will maintain the rights which are essentially and undeniably Canadian. Perhaps we should take that for granted, but I just want to remind the minister that we expect him, and those associated with him, to maintain our position in every respect so far as Canadian rights are concerned. While this bill is not completely satisfactory we believe it is in the best interests of Canada and Canadians that it be passed. Therefore we are giving it our support with the expectation that, as weaknesses and flaws show up in the future, amendments will be introduced to bring the bill more in line with the needs of the Canadian people.

[*Translation*]

Mr. Bélanger: I shall be very brief, Mr. Chairman. I just want to say a few words to show where our party stands on this bill.

If I rise to speak on this matter, it is because I was one of my party's representatives on the committee on marine and fisheries and I am aware of all the discussions that took place there when that committee dealt with Bill No. S-17.

Now, I should like to point out that we are not altogether satisfied with the manner in which the Canadian fishing zone limits were set. We would have liked those zones to be much larger, but we understood the reasons given to us afterwards, according to which it is better to leave things as they are for the moment, while reserving the right to claim wider limits at the next opportunity.

[Mr. Patterson.]

I also believe that the legislation governing fish conservation which has been established and is in force in Canada is not adequately protected by this bill. In my opinion, the government should have been stricter and more to the point, if I may put it this way, when asking the other nations to observe the fishery regulations in effect in Canada, which is absolutely essential if our fisheries are to be preserved. After all, fisheries are a very important source of income for Canada and they should not be ruined. Therefore, legislation on conservation of Canadian fisheries must be enforced and we must forbid other nations to fish as they wish regardless of our legislation. We should be tougher in this field.

On the other hand, I would also have liked to see a firmer bill as far as historic and treaty rights are concerned. Canada should not take provocative steps towards other nations, but rather a firm attitude and indicate, first, through diplomatic channels, and then by firmer action, that these historical rights are more or less outdated and should not hinder the Canadian fishing trade.

It is with that in mind and also in order not to prolong this debate unnecessarily that we have decided to support Bill No. S-17, as drafted. As stated by the hon. member who spoke before me, we reserve the right to come back to this subject in a little while when the arrangements made by the government and the treaties entered upon between the government and other nations are known.

It is, therefore, with that in mind that, unanimously, we are going to vote in favour of the bill.

[*Text*]

Mr. Chatterton: I expect that this bill will be carried this afternoon, but hon. members on the other side should not be in such a hurry because we find it our duty at all times to bring to the attention of the people of Canada how legislation which the government produces varies from the legislation that the Liberal party promised during the last election. This package bill, No. S-17, is not what the Liberal party promised, at least on the west coast, during the last election.

I had occasion to go home a few days ago and met with a small group of commercial fishermen in the Sooke area. After dealing with the subject I went there to cover, I asked them what they thought about this bill. One of the fishermen said: "You know, George, I am a New Democratic party man

but in the last election I voted Liberal because the Liberals promised us that they would take their courage in their hands and establish unilaterally a 12 mile effective fishing zone based on straight lines from headland to headland, and we assumed that shortly after they came into power we would know, for instance, that Hecate strait, Queen Charlotte sound and Dixon entrance would be Canadian waters." This is just another example of how the Liberals promise one thing and deliver something completely different.

For example, I have before me the famous full page advertisement from the *Daily Colonist* of Victoria, B.C., dated March 31, 1963. I could spend an hour describing the promises the Liberals made in this full page advertisement, and what they have already stated they are not going to carry out, apart from what they will not carry out but have not said so. They said they were going to introduce N.H.A. loans on existing housing. They brought in N.H.A. loans on existing housing, but only in urban renewal areas.

Mr. Winkler: Designated areas.

Mr. Chatterton: In designated areas, so that they can go back to the people and say they fulfilled their promise. I am sorry the hon. member for Victoria (B.C.) is not in his seat at the moment because I well remember during the last election at all-candidates meetings this question of the 12 mile limit came up. It was an important issue on the west coast, and the Liberals decried the efforts of the previous government when we tried to tell the people that the 12 mile zone could only be effective if it were negotiated, at least so far as historic rights are concerned. But the Liberal party made it clear it would establish a 12 mile limit, based on straight base lines from headland to headland. That is not what has been done.

All this bill will do is establish a 12 mile fishing limit based on the sinuosities of the coast. The important matters, the matters with which our commercial fishermen are most concerned, are not covered in this legislation at all. There is no indication where the co-ordinates from which the base lines will be measured will be. Even a reference to the term "headland" might have been an improvement. There is no mention of what will happen to the historic or traditional rights. There is not even an indication that there will be a phasing out of these rights.

We maintain that the only effective way of establishing a limit is by international agreement, and we came very close to achieving that agreement in 1961 in the United Nations. We failed by one vote to secure the two thirds majority which would have made our proposal effective in international law. I know, of course, that there was a slight difference—the distances involved were six miles and six miles rather than three miles and nine miles, but the principle was the same. I believe the only reason we did not get the one vote we needed was because the delegate from India buckled under pressure from the Soviet union.

I should like the Secretary of State for External Affairs when he closes the debate to tell us in detail what efforts the present government has made to try to get support from various nations, should this question again arise in the United Nations. I remember so well Hon. Howard Green, the former secretary of state for external affairs who did so much for this country, telling us of the efforts he had made to try to get agreement in the United Nations on an effective six and six mile formula. I should like the hon. gentleman to tell us what the present government is doing in this regard. He should tell us whether he intends to continue efforts in the United Nations to reach agreement on some formula, either the previous one of six and six or the present one of three and nine, to be accepted by the United Nations so that it may become international law binding on all members.

The Secretary of State for External Affairs repeatedly told the committee on marine and fisheries that the passage of this bill would strengthen the hands of our negotiators in their dealings with other countries on the question of historic and traditional rights. But he did not explain how this bill would help them, or at least I did not gather from his statements in what way specifically it would strengthen the hands of the government in negotiating as to these rights. I hope the hon. gentleman when he closes the debate will give us some specific information as to how the passage of this bill would help.

We intend to support this bill because it is a step, though only a doddering step, in the right direction. If, as the Secretary of State for External Affairs says, its passage will strengthen the hands of the government in negotiation, why was it not brought forward in the first 60 days of decision? Why wait for 400 days? There must I presume have been negotiations throughout this period. If they now believe passage of this bill will strengthen

their hands, why did they not bring it forward in the first 60 days so that their hands would have been strengthened during the past 340 days? It is hard for me to understand why they have waited so long.

The Secretary of State for External Affairs said he hoped negotiations with regard to the inclusions, the co-ordinates and so on would be completed within a matter of months. Why in that case could we not have waited until at least the major features of these negotiations have been settled and included in the bill? As it is now, the matters left to the governor in council are vastly more significant than the proclamation contained in clause 4 itself which would only establish this 12 mile limit based on sinuosities. As to the matter of the co-ordinates and inclusions, this bill could at least have said what the intentions are with regard to the Dixon entrance, Queen Charlotte sound, Hecate strait, the gulf of St. Lawrence, the straits of Belle Isle and the bay of Fundy. Surely these could have been specified in the bill before us. As it is we have nothing to go on except the statement of the minister that he hopes the negotiations with these other countries will be concluded in a matter of months.

I support this bill, but again I make the point that it is not what the people of Canada were led to believe in the last election this government would produce. It is one of many examples of how the Liberal government misled the people by promising something they knew they could not deliver. In my opinion the main purpose of this bill is to make the people believe that the Liberal government has fulfilled its promise in this regard. There are so many promises they have not fulfilled that they are obliged to make use of every opportunity to make it appear, at least, that they have carried out their undertakings.

Mr. Prittie: My remarks will not be unlike those of the previous speaker. The main effect of this bill will be to improve Liberal party pamphlets in the next election. Hon. members opposite will be able to put out pamphlets in the maritime provinces and British Columbia saying: We promised a bill to establish a 12 mile fishing limit; we have kept that promise; here it is. There is a similarity here to what happened in the case of the promised bursaries for students. In the end we got a lesser measure to provide a student loans fund. Both are bills with fine titles but little substance.

[Mr. Chatterton.]

Members of the two major parties represented in this house sometimes say to us in the New Democratic party: You make these promises because you know you will never be in power and in a position to carry them out. I should like to say that these people who have had long experience of power should be a little more responsible; they should either tone down their promises or else carry them out. In this case, extravagant promises were made to the fishermen and as a result the fishermen believed this bill would be much stronger than the one which has been presented to us. In my view the measure before us has little substance because the government has no intention of interfering in any way with the historic rights enjoyed by the United States. It will, I imagine, keep out some countries which do relatively little fishing. But it will have little or no effect upon the country which is mainly concerned, that is, the United States.

The hon. member for Comox-Alberni made some reference in his speech to being daring. The hon. member for Queens (Mr. MacLean), it seems to me, made it apparent he does not want to be daring, especially with regard to the United States, and he was frank in saying so. I do not think the government intends to be daring in its dealings with the United States, either, but they do not say so. They give us the form of the bill without its substance and I am sure the substance will not be filled in later, as we are led to expect.

I agree though that this measure poses a problem for an opposition member. Here again it resembles the proposed student loans bill. It is much less than was promised, but who is going to be on record as voting against student loans? My colleagues do not propose to vote against this measure. It is a small measure, though, and we regret that it does nothing at all to improve the position of Canadian fishermen, particularly those on the west coast.

Mr. Nielsen: Mr. Chairman, I want to discuss the aspects of this bill in the light of something which I think perhaps the minister and his advisers have completely overlooked in the consequential amendments that are set forth in part II of the bill. I discuss this question on clause 1 because the ramifications attendant upon the bringing into force of these consequential amendments cannot properly be confined to any particular clause of the bill in the committee discussion.

Part II of the bill, as the minister well knows, deals with some consequential amend-

ments and purports—I believe, without due notice to the public—to amend six acts. One of these is the Aeronautics Act, another is the Canada Shipping Act, as well as the Coastal Fisheries Protection Act, the Criminal Code, the Customs Act, and the Fisheries Act. I want to be specific about the Aeronautics Act, because I have given this matter some considerable study. In view of the very broad terms of clause 2 of Bill No. S-17, this singling out, as it were, of only the acts specifically named in part II of the bill must be—this is my conclusion, at any rate, and perhaps the minister can set me right if I am wrong—because this new bill, S-17, refers to "territorial sea" whereas the acts which are enumerated in part II of Bill No. S-17 refer to "territorial waters", "Canadian waters", "three nautical miles", "waters of Canada", and like expressions. These expressions are used respectively in the acts specifically set out in part II of the bill. I refer to the acts which are being consequentially amended.

If the acts listed in part II are required to be amended consequentially; if it is necessary that they be amended consequentially, then I would submit to the minister and his advisers that there are many other Canadian statutes—and statutes implementing treaties, incidentally—as well as treaties themselves, to which Canada is at least a signatory, which would also require amendment.

I am going to give just one or two very brief examples. Again, Mr. Chairman, these are examples with which I am familiar. The first one I would like to put to the minister is the bill that is, or was, before the other place. I am not sure whether it is still before the Senate. I refer to Bill No. S-25, an act respecting the Geneva conventions, 1949. The minister will note that in article 91 at page 78 of Bill No. S-25, in paragraph 3 the expression "territorial waters" is used. Why should not this treaty be amended, if the Aeronautics Act, which also refers to "territorial waters", is being amended? This argument applies also to the other five specific statutes set out in part II of Bill No. S-17. The only answer I can conclude as being correct is that one cannot very easily amend a treaty that Canada has already signed.

Mr. Robichaud: That is exactly the point.

Mr. Nielsen: The minister says this is the point. Then this seems to be very inconsistent, since there are many other treaties to which Canada is a signatory, and which may or may not have become law in Canada by an act of parliament, which refer to "territorial waters".

A further example is section 2 of article VIII of the convention on international civil aviation, 1944, signed by Canada. This is commonly called the Chicago treaty. I would like to read from a copy of that treaty which I have in my hand, for the benefit of the minister and so it will be on the record. I shall read section 2 of article VIII, which sets forth:

> For the purposes of this agreement the territory of a state—

And Canada is one such state:

> —shall be deemed to be the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection or mandate of such state.

Again, Mr. Chairman, the minister will note that the expression "territorial waters" is used. This seems to be directly in conflict with the proposed amendments to the Aeronautics Act which Bill No. S-17 attempts to bring about by part II. I would be very interested in the explanation of the minister's advisers, or the Minister of Justice, as he is in the chamber, on this very point. I see that the Minister of Justice is leaving the chamber, perhaps the point is not nice enough. It was under the Chicago treaty, that I have mentioned, that the international civil aviation organization, as the minister knows, was set up with offices and headquarters in Montreal. It seems to me that unless this bill, to be consistent, goes on to amend by an act of parliament these other treaties to which Canada is a signatory, what we are doing is bringing about the application of the breaking of a treaty. That is the only conclusion to which I can come. Perhaps the minister has a logical explanation for this, and if he has I would be very glad to hear it.

Another statute, with which I am sure the minister is familiar, is the Admiralty Act, which is to be found in the Revised Statutes of Canada, 1952, volume 1, chapter 1. In section 18(1) this act adopts the law of England. In the law of England the expression which is and has been long established is "territorial waters" or "three mile limit". Why has the Admiralty Act not been amended, as well as many other acts and treaties in which the expression "territorial waters" or similar expressions are used? Does clause 2 of Bill No. S-17—to put the specific question to the minister—cover this situation? Does clause 2, or do any of the provisions of this bill, cover this situation? I cannot find how they do, but perhaps the minister can tell us whether the provisions of this bill affect the provisions

of the Admiralty Act, which I have mentioned, as it now exists. If not, then should not amendments consequential be brought in, to maintain consistency here? It would seem that if it is not covered in the bill, we are looking forward to a very sorry mess indeed in our admiralty law and jurisdiction.

With these few examples I am sure the minister can readily see that the action intended by Bill No. S-17—this is my view, at any rate—has not been fully thought out and studied as to all the repercussions it might have both internally and internationally. If the bill is allowed to stand in its present form, I am sure these repercussions will occur, particularly with regard to the Aeronautics Act; because of course the amendments that are purported to be made by part II consequentially affect all territorial air spaces above Canadian territorial waters, or territorial sea, which is the new expression that Bill No. S-17 uses.

In my view the wording of Bill No. S-17 would permit the establishment by order in council of dual, triple or multiple jurisdiction over these proposed new extensions to the well established international law covered by the expression "territorial waters" or "three mile limit", as for instance is used in the Admiralty Act. There could be one territorial sea for fishing, one territorial sea for shipping, and yet another territorial sea for aeronautics purposes. Under Bill No. S-17, "an act of state", to use that expression—and I use the expression in quotation marks—we will have the first Canadian unilateral acquisition of territory or parts of the sea by an act of state since confederation, except by specific agreement or by treaty, and Canada is setting, I feel—and this is my own personal, professional view—a bad example for the rest of the world. As an example—I am sure the minister will see the analogy—if Indonesia, using Canada's example as set forth in Bill S-17 as a precedent, did something similar the freedom of the sea and the air, and shipping and air flights, would all be cut off from the Pacific ocean to the Indian ocean. So you could draw similar analogies with any other state using Bill S-17 for a precedent with respect to treaties such as the Chicago treaty.

To my understanding of the expression "act of state", it means an act of aggression. It is an act of acquisition or a declaration of war against other states, and it is not to be entered into casually. I am being serious here. I do not mean to infer that Bill S-17 will cause any wars, but if the minister has referred to the specific definition of the expression "act of state" I think he will agree with me that such a unilateral act is an act of state if it abrogates any existing treaty. If such an act of state occurs, in essence it is action against another state. It is action which should not be entered into casually or without studying real necessities as opposed to all the possible dangers inherent in the taking of such action. It is, the minister will agree with me, a unilateral piece of legislation.

I do not think the minister has agreed, in regard to specific assurances from any other states that the action proposed in this bill is going to be accepted, not to confine this objection to fisheries but to broaden it and examine the effect it will have on international air traffic in the country. The further point can be made that the Statute of Westminster of 1931 might have given our country the right to legislate beyond its jurisdiction; but if so it must specifically repeal the law set out in the territorial waters act of England, which Canada has followed to date. In this connection I would refer the minister to the prefix to the statutes of Canada 1930, second session 1931, the 21st and 22nd years of George V, which sets out the power conferred on Canada. I see no such consequential amendment in part II to this bill which will alter that situation. I should like to quote very briefly from that prefix, to put it on the record:

> No law and no provision of any law made after the commencement of this act by the parliament of a dominion shall be void or inoperative on the ground that it is repugnant to the law of England, or to the provisions if any existing or future act of parliament of the United Kingdom or to any order, rule or regulation made under such act, and the powers of the parliament of a dominion shall include the power to repeal or amend any such act, order or regulation, in so far as the same is part of the law of the dominion.

There is no doubt that the admiralty law of England applies in Canada. Section 18(1), which I have already quoted to the minister, says so. It says that the law of England includes the territorial waters act—that is, the three mile limit—and all other laws. Therefore, Canada has specifically to repeal those laws—and this is the nub of my point—if it is going to set up a new territorial sea. Canada must then establish a new set of laws to replace the admiralty law of England, to follow the matter out to a logical conclusion. The Admiralty Act of 1952, Revised Statutes of Canada, section 18(1), is in direct conflict, in my submission, with this present bill.

I am sure the minister can see, as can other members, that the question is indeed

involved, and that one simply cannot accept the statement that the six acts listed exhaust the acts of parliament which must be amended consequentially in order to implement the intention of the provisions of this bill. For instance, supposing under clause 2 that the governor in council selected Sable island as the geographical point as described therein from which to calculate base lines. The situation which would then arise would be that all of the territorial seas—and I see the minister is shaking his head, and I understood in committee that the assurance was given that this will not be done. But I do not think that this assurance is enough. While the minister probably has the assurances of his cabinet colleagues now, this in turn does not assure the people of the country of our international friends that some future government might not take action under clause 2 of this bill and use Sable island as a geographical point.

To conclude my example, if this were done and Sable island were so used it would mean that all the air space between Sable island and Halifax would become Canadian air space. If the amendments to what was Bill No. C-117 which was before the house last session to amend the Aeronautics Act—and this measure is again on the order paper this session—were to pass, every international carrier flying between New York and Prestwick would be subject to overflight charges; and I am sure that is not the result the minister wants. Strange as it may seem, the consequential amendments to the fisheries bill before us would have this very effect on the aeronautical activities of world aviation companies flying into, out of and near Canadian land, water and air space.

Therefore I would urge the minister to consider if nothing else an amendment—I am not going to propose an amendment in this regard—to clause 2 of this bill which would exclude Sable island, say—and this gives rise to the only situation that I can imagine can result in the effect I have described—from the operation of that clause, so there will be no doubts in the minds of international air carriers who are parties to the Chicago treaty that there will ever be any attempts by a Canadian government to say that the air space between Sable island and Nova Scotia, or Sable island and Halifax, or any area in between there, is going to be considered Canadian air space for the purposes of subsequent legislation, like that which is going to be brought before the house by way of amendment to the Aeronautics Act, and which would subject international air flights to overflight fees and charges.

I can assure the minister that I have devoted a good deal of study to an examination of this particular problem, and I think that the effect of the amendments to the Fisheries Act and the consequential amendments set forth in part II, and specifically the inclusion of the Aeronautics Act, will have this undesirable effect which I am sure the minister does not want. He could cure it very easily by adopting on behalf of the government the amendment I have suggested. By so doing he would certainly set the international aviation industry at rest, and such a small amendment would not alter the substantive provisions of the bill in any way.

Mr. Crouse: Mr. Chairman, in rising to speak on this measure I wish to state that I am in agreement with the basic principle of the bill. The bill states this in clause 2:

> Every provision of this act extends and applies to every act of the parliament of Canada, now or hereafter passed, and to every order, rule or regulation thereunder, except in so far as any such provision is inconsistent with the intent or object of such act, order, rule or regulation, or would give to any word, expression or clause thereof an interpretation repugnant to the subject matter or context, or is, in any such act, order, rule or regulation, declared not applicable thereto.

In view of that statement, Mr. Chairman, I would refer to clause 12 of Bill No. S-17 where under subclause 3 of that clause section 31 of the Fisheries Act is repealed and the following substituted therefor:

> No one shall leave any port or place in Canada to fish outside Canadian fisheries waters for fish the catching of which is at such time prohibited in the Canadian fisheries waters opposite to or nearest the place where such person proposes to fish, and no one shall bring into Canada any fish caught outside Canadian fisheries waters when fishing for such fish is prohibited inside the Canadian fisheries waters opposite or nearest to the place where such fish was caught, or shall bring into Canada any vessels, boats, nets, fishing gear, implements or appliances used in such fishing.

In checking the original section in the Fisheries Act I find that the words "territorial waters of Canada" have been changed in the wording in the bill to read "Canadian fisheries waters". However, I believe this entire section should be amended as it discriminates against Canadian fishermen, and when we are dealing with the clause by clause study of the bill I intend to move an amendment.

I say it is discriminatory because at the present time the dragging of scallops is prohibited in two specific areas off the coast of

Nova Scotia at certain times of the year. Under the fisheries regulations, which are designed to conserve the inshore fisheries, no person is permitted to fish for scallops within seven nautical miles of the counties of Annapolis and Digby from May 1 to August 31. The same law applies to Lunenburg county, where no person shall be permitted to fish for scallops within seven nautical miles of the coast of Lunenburg county between May 1 and October 31.

The Fisheries Act, in which section 31 is found, is dated 1932, and if this clause was enforced by the federal Department of Fisheries it would result in the Lunenburg county deep sea scallop fleet being tied up to the wharves each year from May 1 to October 31. It could also result in the curtailment of operations of any deep sea scallop dragger operating out of Annapolis and Digby counties from May 1 to August 31. In my opinion this is a form of discrimination against Canadian fishermen and Nova Scotia fishermen in particular.

Nova Scotia today is truly the scallop province of Canada, for our ships now account for at least 98 per cent of all Canadian scallop production. As a result of the Conservative government's shipbuilding assistance program, our fleet of scallop draggers has increased to 40 in the last three years, with more being launched every month. As might be expected, the catch per boat has declined as the fleet has increased in numbers, but despite this fact the scallop fishermen along the coast of Nova Scotia are still earning a good living through hard work at this particular type of deep sea fishery.

To give the committee some idea of the vast expansion which has taken place in this industry, I point out that in the year 1953 the entire catch of scallops in Nova Scotia amounted to a mere 1½ million pounds, worth less than half a million dollars to the fishermen. In 1963 over 16 million pounds of scallops were landed, with a value in excess of $6 million to the fishermen, representing increases in both weight and value of well over 1,000 per cent in the short space of 10 years. With the Canadian market consuming less than one fifth of our annual scallop production, we are obliged to rely very heavily on the United States market. Even though the American fishing fleet has an annual production of some 25 million pounds, three quarters of which comes from the New Bedford, Massachusetts fleet there is still an annual scallop consumption in the United States of approximately 40 million pounds. This gives the committee some idea of the terrific potential in this industry and, of course, our heavy exports of scallops help toward bringing our balance of payments in line with the United States.

[Mr. Crouse.]

In my opinion section 31 of the Fisheries Act, stating that fish are not to be caught outside territorial waters when catching is forbidden in territorial waters, may have had some value in 1932, but times have changed and the terrific growth in the deep sea scallop industry alone since 1953 would indicate that a change in the act is long overdue. The minister or his officials may point out that no one has been fined or had his fishing licence cancelled under this regulation. However, if it was enforced today the scallop fleet operating out of Lunenburg county could be legally tied up from May 1 until October 31, thereby creating untold financial hardship in this industry. In my opinion this section of the act not only discriminates against the scallop fishermen but also prevents the establishment of a deep sea lobster industry in Nova Scotia.

As most hon. members are aware, Nova Scotia is divided into lobster fishing zones and at the present time zones 6A and 6B, which lie between the high capes around the tip of Cape Breton island to point Michaud, are the only places in which lobsters may be legally caught up to July 15. Most of the other zones are closed on June 30. Zone 4 takes in an area from Cole Harbour in Guysborough county along the south shore of Nova Scotia, which includes Halifax county, Lunenburg county, Queens, Shelburne, Yarmouth and Digby counties, and the fishermen are only permitted to catch lobsters in zone 4 from December 1 to May 31. During the remaining six months of the year lobsters cannot be caught and landed legally in this area, and this applies not only to lobsters caught on the inshore grounds but also to any lobsters that may be caught by a deep sea fisherman. Nova Scotia fishermen are thereby prohibited under clause 31 of the Fisheries Act of 1932 from exploiting a deep sea lobster fishery on Georges and Browns banks that could well be worth over $1 million per year in landed value to the fishermen.

In 1963 the landed value of all fish caught in Nova Scotia amounted to $35 million, which represents an increase of $12 million over 10 years ago. Of this total, an estimated 36 million pounds of lobsters brought in almost $18 million to our fishermen. Lobsters, therefore, are the greatest dollar earner for our

fishermen, with scallops in second place. However, in my opinion we are only scratching the surface of the lobster industry because due to prohibitive regulations we are not taking advantage of the opportunities offered by the deep sea lobster fishery. We know that a great market exists for lobsters both in North America and in Europe. Because of its economic importance, considerable interest is attached to this creature both by the fishing industry and the fisheries research scientists.

While much has been learned about this strange creature, there is still a lot more to be discovered. We know that lobster stocks occupy thousands of square miles of open coastal waters, and these could well be called our inshore lobster population. We also know that lobsters can be caught in our offshore waters from 100 to 200 fathoms deep in an area south of Georges bank approximately 100 miles from Yarmouth, Nova Scotia. What we do not know is the relation between these two lobster populations.

Some marine biologists claim there are actually two distinct lobster populations, while others claim that lobsters hatched in the deep waters offshore are carried by strong currents, while in the larvae or free swimming stage, and that these lobsters help to populate the inshore banks. Because of the efforts of the research ships located at the oceanographic base established at Bedford basin, Halifax county, by the previous Conservative administration, we are gradually learning more about the habits of the lobster and about the food and disease that affect both his growth and survival. Common sense tells us that it is wise to carry out conservation measures on our inshore lobster fishing grounds in order to assure relatively good catches and income to our lobster fishermen. However, I question the soundness of carrying out a conservation policy on deep sea lobsters which, in effect, applies only to any potential Canadian deep sea lobster fishermen, while leaving the grounds wide open to fishermen from any other nation wishing to exploit them.

This is what is happening under clause 31, which actually restricts Canadian fishermen from landing deep sea caught lobsters at any point in Nova Scotia for approximately six months of the year. However, while we are conserving the supply of large lobsters on Georges bank, there are at least a dozen United States deep sea lobster draggers operating out of Sandwich, Plymouth and New Bedford-Fairhaven, providing employment to approximately 75 fishermen.

According to the last bureau of commercial fisheries statistics in the United States, the offshore lobster fisheries were worth more than $1 million to New Bedford fishermen last year. In January of 1964, the catch of deep sea lobster draggers totalled 161,000 pounds with a landed value to the United States fishermen for that month in the vicinity of $94,000.

Now, these lobsters are large in size, with many of them ranging from 12 to 20 pounds in weight. This would indicate good feeding and growing conditions in that area of the ocean.

Mr. Robichaud: Mr. Chairman, I rise on a point of order, if the hon. member would allow me. This whole statement he is making is an objection to section 31 of the Fisheries Act and is not relevant to the bill we are discussing. If the hon. member will look at section 31, as it now stands, he will find there is no change that would affect the fishermen, whether they are fishing for scallops or lobsters. There is no change in the section except the words "territorial waters" appear instead of "territorial sea". In so far as the fishermen are concerned there is no change in section 31.

Mr. Crouse: Mr. Chairman, quite frankly I am rather surprised that the minister would intervene on this particular point. While I agree with what he has stated, I would point out also that at the outset of my remarks I referred to the fact the bill states that every provision of the act applies to every act of the parliament of Canada, and so on. He and his government, in their wisdom, thought it necessary to introduce an amendment to the Fisheries Act changing the words from "territorial waters of Canada", to "Canadian fisheries waters of Canada". By introducing the 12 mile limit, they are extending the territorial waters of Canada, I mean extending the fishing waters of Canada, an additional nine miles. I believe my remarks are quite relevant. I feel that this is an opportune time to correct an inequity that has been troubling Canadian fishermen, as I said, and Nova Scotia fishermen in particular since 1932. This is the reason I am making this statement, and I have only a few more comments to make relevant to these changes which I hope will be accepted when an amendment is proposed later.

As I stated, the deep sea lobster industry is a business that has been growing and ex-

panding. In my opinion, our research ships, which are making new discoveries on the ocean floor every day, are certain to find other stocks of deep sea lobsters on the vast offshore banks adjacent to Nova Scotia. At present, we are unaware of any conservation measures being taken on the high seas. Are the berried or seed lobsters being returned to the ocean, or are they being retained, thereby destroying hundreds of potential lobsters? Is the present dragging method destroying the grounds? Would it more advisable to set traps at sea similar to those used close to shore? These are questions that could be raised at meetings of the international commission for the north Atlantic fisheries, and early steps could be taken towards deep sea lobster conservation at the international level.

In the meantime, Nova Scotia needs new industries, and since the fisheries was one of the province's first industries its role in our economy is sometimes taken for granted. Generally speaking, the expansion of an old industry does not attract as much public notice as is the case when a new industry comes into being. However, I believe that the lobster industry in Nova Scotia can be developed and expanded by the harvesting of deep sea lobsters on our offshore banks and the first step necessary is to remove any discriminatory regulations that might deter enterprising Nova Scotians from developing this industry. Since clause 31 of the Fisheries Act has served as a road block to our economic fisheries expansion, it is my intention to move an amendment to this section of the bill when we start clause by clause study later in the committee.

Mr. Mather: The New Democratic party, in line with important sections of the British Columbia fishing industry, has long made clear its desire to see the establishment of a Canadian fishing zone. Likewise, we have long made clear our very grave misgivings of the type of substitute for effective legislation which has been produced by the government in the legislation before us. It is a pretty "fishy" sort of substitute.

I feel that we want to see in Canada a "made in Canada" fishing zone bill which would assure a basis upon which Canadian fishermen and the Canadian fishing industry could operate in the knowledge that they would have the right to the fishing resources inside that area and not do as this legislation does, leave rights in perpetuity to other, non-Canadian powers. This is a principle we have put forward and which has been put

[Mr. Crouse.]

forward by many sections of the fishing industry in British Columbia. It is in line with the stand taken by several other nations which has imposed and established a similar fishing zone. We certainly concede it is necessary to negotiate with the other powers who have or claim to have historic rights or treaty rights which give their nationals a right to exploit Canadian fishing waters. However some of those treaties were signed on behalf of Canada more than a hundred years ago when, really, there was no Canada to negotiate for Canada.

Our opinion is that we should go ahead, as some other nations have done, establish our zone, then notify all other nations we are doing so and ask those who complain or object to come to us and negotiate on their own behalf. We think our prime interest is to establish a Canadian fishing zone for Canadians. This has been the policy of this party for years, both the C.C.F. and the New Democratic party. In 1963 and again in 1964, I personally moved Bill No. C-27 to establish a Canadian 12 mile fishing zone in line with the policy I have briefly outlined. This bill was talked out on both occasions. I might say that it was the same bill my colleague, the hon. member for Skeena, moved in this house in 1962. I think it is rather interesting, Mr. Chairman, to look back briefly at the discussion that took place at that time, as represented in *Hansard*, when the hon. member for Skeena moved his bill to amend the Coastal Fisheries Protection Act and establish a 12 mile fishing limit. This was in January, 1962, and had his bill been passed at that time it would have come into effect this month, in 1964. On rereading the text of that debate in *Hansard* I find there are two very brief quotations I would like to put on the record at this time.

As recorded at page 379 of *Hansard* for January 30, 1962, the hon. member for Skeena said:

> In my opinion we should not sacrifice the interests of our fishermen any longer. We should not allow the attitude of the United States in this regard to influence us to the extent that we do nohing about this most important question.

As recorded at page 381 of *Hansard* of the same date the hon. member for Bonavista-Twillingate, who is now the Minister of Transport, said:

> I should like to congratulate the hon. member for Skeena (Mr. Howard) both on the bill and on the very moderate and reasonable presentation he made of it. In saying that I am speaking for my party and I assert that we support the bill without reservation.

Further on, as recorded at page 384 of *Hansard*, he added:

> I am not very impressed by the dangers which it is suggested might arise from an attempt to enforce this. After all, if Iceland and Norway have been able to do this by unilateral action it is hard to persuade me that the Canadian people, if they had a resolute government which could make up its mind about anything, would have any difficulty in doing the same.

I do not want to prolong discussion of this legislation. I do not think I could say anything more striking or forceful in support of the establishment of a real 12 mile Canadian fishing zone than to repeat the words of the hon. member for Bonavista-Twillingate which I have just quoted. There is a question in my mind and the minds of many fishermen on the west coast as to whether this bill will do more harm than good. It is a very wishy-washy piece of legislation.

Mr. Coates: There does not seem to be a great deal of difference between the views expressed by the hon. member for New Westminster and those of other hon. members with regard to this bill. All members are concerned about the permissive aspects of the legislation, as well as about the diluted form in which we find it as compared with what was promised during the 1963 election campaign. The hon. member for New Westminster has described it as diluted, as wishy-washy, and certainly no one can disagree with him on that point. It is diluted in every possible way.

Views were expressed before the bill was presented that there might be grave concern on the part of nations who fish in the areas involved, but now that we know what the government intends, that concern has been eliminated because there does not seem to be any real change in the status of those nations. Indeed the only thing the bill will accomplish with respect to the fishing rights of various countries is that any new countries which plan to move into the stipulated areas might be stopped from doing so, and I would think from the government's attitude to date that it would find some means of covering them as well.

I would urge the Minister of Fisheries to give serious consideration to the proposal placed before him by the hon. member for Queens-Lunenburg. When the hon. member was endeavouring to bring a very glaring inequity in the legislation to his attention, in the hope that he might give consideration to eliminating it, the minister rose on a point of order, in effect saying that though this was an obvious injustice to the fishermen in Nova Scotia, the hon. member should not talk about it. Instead of that the minister should have said: "Well, this is a very important matter. It will mean the further development of fisheries in Nova Scotia and I will certainly look upon this amendment, when it is moved, with every possible consideration in the hope that I might assist in the further development of the fisheries in this province, which is so very important to the economy not only of Nova Scotia but of Canada generally."

This bill is not the type of legislation that the Canadian people expected. It is not the type of legislation that results from responsible government. When we were in office we took the responsible point of view and endeavoured to secure international agreement that would bring into effect an international 12 mile fishing zone that would be observed by all and argued against by none. In our attitude we gave no concern to anyone about a gunboat philosophy being promoted. But, as I say, once those who were concerned see this bill, I do not think there will be any concern on their part any longer.

We took every possible step to bring about a 12 mile fishing zone. Unfortunately, while we came very close—so close that it is hard to imagine we could have lost, having lost by only half a vote. It was not our fault that this happened, and had we desired to do so we could then have introduced this wishy-washy piece of legislation without any difficulty at all.

The great problem is that this legislation, like so many of the things surrounding the promises made to the electorate in 1963, is another gimmick to say to the Canadian people: "We did what we told you we were going to do during the election campaign, even though it is not the same as what we described, but it is something more than you had when we took office."

There cannot be any strong opposition to this bill because there is not anything that is very objectionable about it, now that it has been presented to us. The only objection to it is that there is nothing very effective about it; there is nothing in it of great value to our fishermen.

The bill can stand a lot of improvement and we cannot achieve these improvements until more progress has been made in negotiations with the other countries concerned than has been the case up to date. Many provisions in this measure will not take effect until some time in the future. We do not know how long we shall have to wait. We are told "almost

immediately", but we were also told during the election campaign that this bill would be in effect by May 15. Well, here we are in July, still debating the matter. We are told that all the negotiations are not complete as yet. The statement has been made that the process will not be a long one. But that depends on what is meant by "long". We were told it would not be long before a great many other pieces of legislation which were promised in 1963 were put into effect, but people are finding that they have to wait a long time for them, although perhaps in the minds of Liberals it seems short.

I hope the minister will give serious consideration when clause 12 comes up, to the amendment suggested by the hon. member for Queens-Lunenburg. It has a great deal of merit. If adopted, it would provide an incentive to the fishing industry and would be of real benefit to the fishermen and to the economy of Nova Scotia. I certainly hope the minister will not take the narrow view that because this is the way in which things are done today under the Fisheries Act, this is how they are to remain. I hope instead he will take the point of view that this proposal would assist in the development of the fishing industry in Nova Scotia. As I say, I support this amendment. I think it has great merit and our party, the Conservative party, would agree to it.

Mr. Robichaud: Before clause 1 carries, may I be allowed to make some comment on the observations which have been made by hon. members of this committee? First, I should like to excuse my colleague, the Secretary of State for External Affairs. He had wished to remain in the chamber for the whole of this debate but, unfortunately, he had to leave for very important discussions which had previously been arranged.

I wish to thank the hon. member for Queens (Mr. MacLean) for the position he has taken on this bill. I agree with him that all of us would have preferred a multilateral agreement such as the one proposed at the Geneva conference in 1960. But I believe he would also agree with me that when it proved impossible to reach such an agreement we had no choice but to take a position such as we are taking now. There may be some difference of opinion about the stand which is now being adopted. It may not be entirely a unilateral position. The Prime Minister made it clear on June 5 of last year when he said in his announcement to the house that it was the intention of the government to take action with reference to the implementation of a 12 mile fishing zone and introduce a territorial sea which would be based on a line drawn from headland to headland. But he also stated that this would be done after a certain amount of discussion with countries who are interested in the fishing around our shores.

I want to assure the hon. member that I am not one of those who are trying to blame previous administrations, whether the one directly previous to the present government or any of those which preceded it. I know that all previous governments have made every effort to establish fishing zones which would be satisfactory to our Canadian fishing interests. I also wish to join with the hon. member in expressing my appreciation of the work of the senior civil servants who have taken part in the negotiations on behalf of Canada, and I refer not only to the present negotiations but to those which took place in Geneva during the 1960 convention.

The hon. member also made reference to an article originated in Washington suggesting that Canada was taking a different stand from the one now set out. If my recollection is correct, the Secretary of State for External Affairs dealt with this point. The situation when Canada was trying to take part in the conclusion of a multilateral agreement was altogether different from that which exists now, when we are taking a position of our own.

As to the statement that the passage of this bill would strengthen our hand, I wish to assure members of the committee that this is so. We are following the practice—

Mr. Barnett: The statement which the hon. gentleman just made has been made by him or by his colleague a number of times, but at no time as far as I can recall has any explanation been given us as to why it would strengthen our hand in these negotiations. I wonder if the minister could be a little more specific on this point before the clause is allowed to pass.

Mr. Robichaud: What has been done is this: In the first phase of our negotiations we made known to the countries interested what our intentions were—where the base lines we had in mind would be established. We also made known to them what areas of water would be affected by such an action. Now that this first phase of negotiation has been completed I feel the knowledge that we have parliamentary approval or enabling legislation giving the government full authority to act in this regard will strengthen the hand of our negotiators.

Reference has also been made to the length of time to be allowed with respect to phasing out operations. In this connection I wish to say we intend to follow accepted international practice; we shall allow the period of time which has been mentioned at various international conferences in this connection, including the Geneva conference. The hon. member for Queens (Mr. MacLean) asked where the co-ordinates might be. If not today, then on a previous occasion, he said that co-ordinates could be established at any point, even a point of land or an artificial point of land which could be placed somewhere in the water.

The fact is that it is the intention of the government to follow international practice in this regard. Sable island has been mentioned. But if Sable island were used as the basis for establishing a co-ordinate, it would constitute a departure from the general practice. It would certainly create a large triangle on the south shore of Nova Scotia, an area which would extend maybe for 100 or 125 miles south. I would point out that when any country takes a unilateral position it has to take a position which is acceptable in international law and practice. Such a position could hardly be maintained if Sable island were used.

I cannot agree with the statement made by the hon. member for Comox-Alberni, to the effect that this bill does not satisfactorily deal with the situation. His complaint was to the effect that the timing of this bill was not right, because it was being introduced when negotiations were still in progress. As I said earlier, Mr. Chairman, now that we have completed the first phase of negotiations I am confident that the passing of this bill will strengthen our hand.

The hon. member for Fraser Valley said that some of the questions that have been asked have not been answered in the way some would have hoped. I want to assure the hon. member that under the present circumstances, while Canada is negotiating with a number of countries, the answers that were given were complete to the fullest extent with regard to information that could be disclosed and made public at the time.

The hon. member for Esquimalt-Saanich asked what steps the present government has taken to obtain further support at the United Nations for a multilateral agreement. I think it is very clear to anyone who is familiar with the situation that every step it was possible to take has been taken. Again, Mr. Chairman, I wish to emphasize that this has been done not only by this government but it was done by the previous administration in trying to renew the discussions that had taken place at Geneva, and it was quite evident that no such negotiations could be carried on.

The hon. member for Yukon has referred to part II of the bill, which singles out certain acts as being affected by this Bill No. S-17. I want to assure the hon. member that the legal advisers of the Department of Justice the Department of External Affairs, the Department of Transport and my own department, the Department of Fisheries, have looked into this question and have included in the bill such changes or amendments that would or could affect existing Canadian legislation. The hon. member referred, for example, to the Geneva convention; he referred to the Chicago treaty. But these are not Canadian acts; they are international conventions. It was not the intention of Bill No. S-17 to introduce amendments that would affect treaties, because it would have taken years and years to renegotiate such treaties; it would have meant re-opening all the treaties which could be effected. What we have done is bring in amendments to those Canadian acts that would or could be affected by this bill. In doing this, Mr. Chairman, Canada has followed the example of a number of other countries. I believe there are at the present time 47 countries which have taken similar action, and most of them, if not all, have taken a similar position to the one that we are taking now.

The hon. member for Queens-Lunenburg raised a very important point. My reason for intervening was not to prevent him from completing the remarks he was making at the time, but to bring out the point that his argument related to the Fisheries Act and not actually to Bill No. S-17. For the information of the committee I would like to put on the record the point that was raised before the standing committee on marine and fisheries. This passage will be found in the minutes of proceedings and evidence, No. 4, of that committee, page 206. Mr. Ozere of my department, replying to the hon. member for Queens-Lunenburg, said:

> I think we are talking about two different things. There is the possibility—and I think Mr. Crouse may have a point—that this section should be amended in order to take care of the situation to which he refers. But it would be a matter for consideration and for the minister to decide, whether as a matter of policy it should be amended. We are now considering only a very small amendment substituting the words "territorial waters" by the words "fishery waters". These are only

consequential amendments as they are in any other act that is mentioned.

Mr. Crouse: I fully realize that that is correct, but we can only be governed by the statute or by the law, and I think the law should be revised or amended so that it does not at any time exclude a deep sea operator from scallop or lobster fishing.

Then I said:

I think this goes back to the first point I raised. There may be reasons to amend the Fisheries Act. There may be a reason to amend section 31. I think the point is well taken. But as I said before, this does not affect the present Bill No. S-17. There may be a reason and a very serious one to amend section 31 of the Fisheries Act to take care of provisions such as the one mentioned by Mr. Crouse. I think the government—and I am sure I can speak in its name—would be prepared to do this if such a need occurred. But I feel it does not affect the present bill. I agree with Mr. Crouse that the government should take into consideration amending section 31 of the Fisheries Act if there is such a need.

I can add, Mr. Chairman, that the matter which was raised before the committee at the time is now under consideration. There is a need to examine this section of the Fisheries Act as it now stands. This act, as was mentioned, was passed 32 or 33 years ago in 1931 or 1932. There have been different governments since then. This does not mean that we may not have reached the point where it should be looked into in order to ascertain the necessity for making such amendments. We are considering this possibility. The Statute of Westminster, 1931, clarified Canadian jurisdiction in extraterritorial matters. It may be that this section is no longer needed, and there is a possibility of amendment thereto. I want to assure the hon. member, however, that the matter of revising that section of the Fisheries Act is now under consideration by my department. Furthermore there may also be a possibility of making changes by regulation alone; that is, by changing the existing regulations which come under the Fisheries Act.

I wish to say, Mr. Chairman, that I do not feel it would be possible to accept an amendment at this time, although I would like to consider this question and see the amendment before making a final commitment. But just the same, I wish to assure the hon. member now that my department is studying this very important matter which he has raised, and it is our intention, after giving it proper study and consideration, to make any such amendments that would be to the advantage of our own Canadian fishermen.

This is all I want to say at this time, Mr. Chairman, except that I would like to bring to the attention of the committee a correction to an error which was made in the minutes of proceedings and evidence, No. 4, of the standing committee on marine and fisheries in a statement made by Mr. D. F. Miller, president of the Fisheries Council of Canada. Mr. Miller is reported to have said:

Mr. Chairman, with your permission and before any questions are asked I should like to clear up one point.

Mr. Howard, in the debate on this bill in the House of Commons, and the brief from the united fishermen and allied workers union referred to this council as an "employees organization", or words to the effect.

Mr. Bernier here takes a strong exception to that implication, on behalf of the some 3,000 fishermen who make up Quebec united fishermen, a member organization of this council.

What Mr. Miller said, and his text is available to prove it, was that this council is an employers organization, not an "employees", as reported in the evidence.

In conclusion, I hope the committee will see fit to pass this bill, which will prove how important it is for the government to be given the enabling legislation. The government will proceed with the least possible delay to implement the bill. Only at noon today I received a report emanating from Vancouver to the effect that six or eight Russian trawlers were sighted fishing for groundfish in Hecate strait. We immediately asked for an investigation. The investigation is not altogether completed, but according to the information we now have those vessels which were sighted in Hecate strait could be coastguards from the navy checking for a plane which was lost in that particular area yesterday. However, we have had evidence at different times that U.S.S.R. trawlers have been operating off our shores, and as the Secretary of State for External Affairs and myself have stated since the debate on this bill commenced it is urgent that action be taken now. It may be that this bill will not meet the demands of the fishermen or of the fishing industry 100 per cent, but its implemention will improve the situation and give further assurance to the Canadian fishing industry.

Mr. MacLean (Queens): Mr. Chairman, before the minister sits down is he in a position to clear up the question I asked regarding the position of the United States historic fishing rights? I am not speaking of treaty rights now. Are negotiations in progress to fix a date of termination for any of these historic rights which they claim? In other words, will there be a phasing out period, or is the United States totally unaffected by this bill except for

the fact that they are acquiescing in the principle of a 12 mile exclusive fishing zone as long as it does not affect them? Is that the position, or has the government been able to convince them that their historic rights should not go on indefinitely?

Mr. Robichaud: I think the Secretary of State for External Affairs and myself have made it clear on different occasions that the historic rights of the fishermen from France and the United States would not be disturbed at this time. I should not say "at this time": they will not be disturbed by the application of this bill.

The hon. member referred to acquiescence. It is very important to Canada that we have the acquiescence of the United States to this bill. There will be another advantage which should be considered and not neglected, and that is the fact that we have made it known that this bill will be followed by certain changes in the Canadian fisheries regulations. If this bill is passed, when it is implemented certain changes will be made which will again give further protection to our fishermen; and we hope that the operations of United States and French fishermen will not be of the type which will discriminate against Canadian fishermen.

Clause agreed to.

Clauses 2 and 3 agreed to.

On clause 4—*Fishing zones.*

Mr. MacLean (Queens): Mr. Chairman, I have a couple of questions on this clause with regard to the application of the Fisheries Act, which was under discussion on the first clause. Clause 4 states what the fishing zones of Canada will be, and says that the outer limit of a fishing zone is distant nine nautical miles from the nearest point of the inner limit line. To me this clause has an effect on the Fisheries Act. I hope I am not out of order, but when discussing an amendment to the appropriate section of the Fisheries Act it was argued that only the terminology was being changed. That would be true only if the territorial waters of Canada remained the same, which they will not; and it would be true only if the Fisheries Act applied to territorial waters. However, I think the Fisheries Act applies not only to the territorial waters but to the exclusive fishing zones. Therefore in my judgment this would have quite an effect on the application of the Fisheries Act. That is why, to my belief, the type of amendment suggested by the hon. member for Queens-Lunenburg is even more necessary, because the present regulations under the Fisheries Act have a much wider application by virtue of this clause than they had before, and therefore the consequences would be greater.

Another point the minister might be able to say something about—I think this is the appropriate place for me to raise it—is this. He mentioned that Russian trawlers were reported at this moment in the Hecate strait. The matter which concerns me in connection with the immediate effect of this bill after it is proclaimed is that it will not change the status of bodies of water like the gulf of St. Lawrence until the base lines are created from the geographical co-ordinates, unless of course the body of water concerned is less than 24 miles across. I know that when the bill is proclaimed it will have some effect by keeping foreign trawlers which have no historic rights 12 miles from the present base lines instead of three miles. But it will have no effect on these special bodies of water which we intend to proclaim national waters. I think we had evidence to this effect from experts, but perhaps the minister might have something to say on that point, although I do not want to hold things up.

Mr. Robichaud: The hon. member referred to clause 4 which describes the fishing zones, and stated that it will have some effect on the application of some of the regulations made under the Fisheries Act. I am prepared to admit that, but what we have done in this bill, particularly in part II, is to make minor or consequential amendments having to do with the description of the territorial sea only.

Those are, as I have said, consequential amendments which had to be made. In so far as the Fisheries Act itself is concerned and the regulations under that act, I want to assure the hon. member that these matters are under consideration at present. It is quite obvious that certain changes will have to be made. As I have stated earlier, we have already studied the situation and we are prepared in the near future to make some changes affecting the operation of Canadian fishing vessels, particularly in those areas where we have a substantial inshore fishery. So I want to assure hon. members that this matter is at present under consideration.

Mr. Nielsen: On clause 5, Mr. Chairman, I was unavoidably out of the house—

The Deputy Chairman: Order. The hon. member for Queens (Mr. MacLean) was on

clause 4. Is it understood that the committee is still on clause 4? Shall clause 4 carry?

Clause agreed to.

On clause 5—*Lists of geographical co-ordinates.*

Mr. Nielsen: As I was saying, I was unavoidably absent when the minister made his explanation with regard to the remarks I made, but I am informed by the hon. member for Peace River that the minister assured the committee that the solicitors of his department and the Department of Justice have given him assurances that the proposed amendment is sufficient. For the reasons which I gave in some detail when we were on clause 1, I am convinced that an assurance by government is not sufficient in this regard. Since Sable island is the only place that I can foresee where this difficulty may arise I believe it should be made an exception to the operation of section 5. Therefore I move, seconded by the hon. member for Peace River:

That section 5, subsection 1, be amended by adding thereto immediately after the word "lists" the following words: "save that Sable island shall not be designated or included in any such list".

Mr. Robichaud: Mr. Chairman, while I have no copy of the amendment I want to repeat what I have said before, that such an amendment is not in order and is not in line with the bill itself. It has been made very clear and it is a well known fact that legislation of this kind having to do with international problems is based on international law. Anyone who is familiar with the geography of the east coast of Nova Scotia will know that Sable island is over 100 miles from the mainland. The 40-odd countries which have taken or are taking a unilateral position have abided by the international practice, and I hope no one would wish to intimate that any government of this country would want to depart from this practice.

If we were to use Sable island as a co-ordinate it would create on the south coast of Nova Scotia a kind of triangle that would extend over 100 miles towards the high seas. When I was questioned about this matter in the committee it was made clear that Sable island, being Canadian territory and owned by Canada, will have its own fishing zone. It will be surrounded by a 12 mile fishing zone. It certainly would not be possible for Canada to apply the straight base line method, as mentioned in the bill, if we were going to use Sable island.

[The Deputy Chairman.]

So we certainly cannot support an amendment of this kind. I want to make it clear again that there is no need whatsoever for such an amendment because it departs entirely from the principle of the bill. It would create a precedent that could be followed by other countries and certainly would be questionable from the point of view of international practice. Therefore we cannot support the amendment.

Mr. Barnett: Mr. Chairman, I think the very fact this amendment has been proposed indicates the rather foolish position into which the government has been drawn by the present terms of clause 5. If the government had done as we have been suggesting and had asked us to establish by act of parliament base line co-ordinates along the lines of the amendment which I attempted to propose in the standing committee, I think it would have been quite clear where we stood. The very fact that it is possible for an amendment of this kind to be brought in indicates one of the basic weaknesses of the present bill.

However, if we were to agree to spell out in the bill that Sable island would be excepted I think our position would be as foolish as the one the government has already taken in the matter of the establishment of the co-ordinates, and under the circumstances might very well be taken as an indication that while we were not going to go out into the ocean to pick Sable island as a co-ordinate it might be our intention to try to find some rock somewhere 100 miles off the west coast of Canada and use that. For that reason I do not feel I can support the amendment.

Mr. Patterson: Mr. Chairman, I agree with the statement made by the hon. member for Comox-Alberni. It seems rather strange to inject this one particular area into the bill. If we are going to designate certain areas for inclusion or exclusion it will open up the whole bill. Therefore I do not think the amendment is one that should be supported.

Mr. MacLean (Queens): Mr. Chairman, I just want to say one word in a general way, particularly since the Minister of Justice is present. As far as I can see there is a tendency with regard to the legislation that the government is introducing, of which this is a perfect example, to ask in general terms for more power than is needed for what the government says it has in mind. This is the thing to which we object. As far as section 5 is concerned, whatever the intention of the government is the government will have the power to put one co-ordinate on Sable island,

another at Yarmouth and enclose that area. I am not saying for one moment this is their intention. The government has said it is not their intention. Why ask us to give them the power to do this if they are not going to use it? This is the point I am making. This sort of thing is extremely sloppy legislation. It is like someone saying, "We want you to sign a blank cheque because we want you to pay $13." Then, when you suggest that you put a limitation on the cheque, that it is not good for more than $25, they say, "No, trust us; we will not make the figure more than $13; just give us the blank cheque, anyway."

This is an authoritative attitude and seems to indicate they think that parliament can do no harm by giving them any amount of power. I do not want to be unduly contentious about this thing, but it is bad legislation. I want to say that if the government keeps drafting legislation in this way it is inevitable they will run into objections not only in parliament but from people who fear they may be affected by it in a way far beyond the present intention of the government; that is our objection to the thing.

Mr. Barnett: In view of the remarks just made by the hon. member for Queens (Mr. MacLean), I must say that I feel it would have been much more to the point if he and his colleagues had seen fit to support me in introducing in the committee a specific set of co-ordinates which referred to the east and west coasts of Canada. In so far as the east coast of Canada is concerned I named specifically 54 points from the terminal point of the United States-Canadian boundary on the south to a headland on the north. As I suggested, if we had been prepared to report to the house a specific suggestion along that line, then it would have been quite clear that neither the house nor the government in the future could have considered including Sable island as a co-ordinate.

Mr. MacLean (Queens): I should like to say that I agree entirely with the objective the hon. member sought to achieve in the committee. The reason we did not support his amendment was that by moving such an amendment, in my judgment, we would be assuming the responsibility of the government. It is the government that must decide where these co-ordinates will be, based upon the advice and technical complications resulting from negotiations with other countries and so on. I want to support the hon. member entirely in his objective, but I do not think that is the way to achieve it. The government should have done this in the first place.

The Deputy Chairman: Is the committee ready for the question?

Amendment (Mr. Nielsen) negatived: Yeas, 37; nays, 75.

The Deputy Chairman: Shall clause 5 carry?

Mr. Barnett: I should like to have it shown for the record that clause 5 is carried on division.

Clause agreed to, on division.

Clauses 6 to 11 inclusive, agreed to.

On clause 12—*Canadian fisheries waters.*

Mr. Crouse: Mr. Chairman, it is not my intention to delay the passage of this bill. I very much appreciate the minister's comments relative to my remarks concerning section 31 which is referred to in clause 12 of the bill. However, as stated during my recent remarks, under the fisheries regulations designed to conserve inshore fisheries, no person is permitted to fish for scallops within seven nautical miles off the shores of Annapolis, Digby or Lunenburg counties between May 1 and October 31. If the Fisheries Act in which clause 31 is contained, passed in 1932, is enforced, it would result in the Lunenburg county deep sea scallop fleet being tied up to the wharves from May 1 to October 31. The same restriction would apply to any deep sea lobster operation that may be started. Since this regulation is discriminatory it is presently preventing the establishment of a deep sea lobster fishing industry in Nova Scotia.

In view of that fact, I move:

That subclause (3) of clause 12 be struck out and the following substituted therefor:

(3) Section 31 of the said act is repealed and the following substituted therefor:

"31. (1) Except under licence from the minister no one shall leave any port or place in Canada to fish outside Canadian fisheries waters for fish the catching of which is at such time prohibited in the Canadian fisheries waters opposite to or nearest the place where such person proposes to fish, and no one shall bring into Canada any fish caught outside Canadian fisheries waters when fishing for such fish is prohibited inside the Canadian fisheries waters opposite or nearest to the place where such fish was caught, or shall bring into Canada any vessels, boats, net, fishing gear, implements or appliances used in such fishing.

(2) The provisions of subsection (1) shall have no force and effect save as legislative provision for giving effect to a convention or treaty and for performing the obligations of Canada in respect thereof."

The Deputy Chairman: The question is on the amendment.

Mr. Patterson: Are there any copies of the amendment, because we have no idea what it is about?

Mr. Robichaud: During the time copies are being made available may I say a few words on the amendment. I referred to the matter earlier when I replied to the remarks of the hon. member. This clause amends section 31 of the Fisheries Act and it is a consequential amendment having to do with the description of the term territorial waters and fisheries waters. It makes no change whatever in the present regulation in so far as it applies to the fishing operations of Canadian fishermen.

This is a provision which has been in the act since 1932 and, so far as I know, there has been no interfence with the operations of Canadian fishermen. But in view of the fact that the matter had been raised I put on the record earlier—and there is no need for me to repeat what I said before the committee—that it is our intention to review this particular clause of the bill, the application of which could probably be amended by a change in regulations.

It would not be fair to take a quick decision on a matter of such importance. The amendment reads "except under licence from the minister" and I ask what would happen if the minister decided to refuse such a licence? How would it improve the conditions of the Canadian fishermen? I agree that this is a matter which could be of grave concern to a number of fishermen operating on the east coast, particularly to any scallop or lobster fishermen who would want to operate in deep sea waters, but I cannot agree to the amendment in its present form.

Again I give the assurance that we will review the clause and we will take whatever action is necessary so that there will be no discrimination against any Canadian fisherman in this regard.

The Deputy Chairman: Is the committee ready for the question?

Mr. Douglas: May I ask the chairman if he would read the amendment moved by the hon. member?

The Deputy Chairman: The amendment moved by the hon. member for Queens-Lunenburg is as follows:

That subclause (3) of clause 12 be struck out and the following substituted therefor:

(3) Section 31 of the said act is repealed and the following substituted therefor:

"31. (1) Except under licence from the minister, no one shall leave any port or place in Canada to fish outside Canadian fisheries waters for fish the catching of which is at such time prohibited in the Canadian fisheries waters opposite to or nearest the place where such person proposes to fish, and no one shall bring into Canada any fish caught outside Canadian fisheries waters when fishing for such fish is prohibited inside the Canadian fisheries waters opposite or nearest to the place where such fish was caught, or shall bring into Canada any vessels, boats, nets, fishing gear, implements or appliances used in such fishing.

(2) The provisions of subsection (1) shall have no force and effect save as legislative provision for giving effect to a convention or treaty and for performing the obligations of Canada in respect thereof."

Amendment (Mr. Crouse) negatived: Yeas, 59; Nays, 66.

The Deputy Chairman: I declare the amendment lost.

Clause agreed to.

Clause 13 agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Batten): When shall the said bill be read a third time?

Hon. J. A. MacLean (Queens): Mr. Speaker, if it is agreeable to the government they might let it stand overnight and have third reading tomorrow.

Mr. Favreau: Agreed.

The Acting Speaker (Mr. Batten): Next sitting of the house.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader what we will be having for tomorrow and Friday in the way of business?

Mr. Favreau: Mr. Speaker, subject to the agreement just expressed by the house, we will proceed with third reading of Bill No. S-17 as the first item of business tomorrow. After that we will complete the debate on the resolution introducing a bill to revise the fiscal arrangements between the federal government and the provinces. If there is time left tomorrow we will take the estimates of the Department of Agriculture, and after that the estimates of the Department of Public Works, to be followed by the estimates of the Post Office Department. By arrangement among the house leaders we might proceed with two or three items of supplementary estimates, about which we will be in a position to make a clearer and more precise statement at the opening tomorrow afternoon.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, July 9, 1964

The house met at 2 p.m.

EXTERNAL AFFAIRS

CYPRUS—CONTRIBUTIONS TO CONTINUATION OF PEACE KEEPING FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to ask the Secretary of State for External Affairs whether a contribution is going to be made by the other nations within the United Nations in connection with Canada's further participation in the Cyprus force for an additional period of time. As I understand it, Canada and the United Kingdom are the only two nations which are making their contributions fully and voluntarily. What is being done in this connection to ensure, to put it mildly, that Canada is not a kind of Santa Claus in these peace keeping operations?

Hon. Paul Martin (Secretary of State for External Affairs): Voluntary contributions have been made by a number of states, notably by the United Kingdom and the United States. Canada is not the only country which has undertaken to pay her own expenses. Ireland is in that category. With regard to the three month period, both Canada and Ireland have taken the position that if the financial situation in the United Nations should become such that reimbursement could take place, we would expect that there should be reimbursement.

Mr. Diefenbaker: Would the minister say what other nation is contributing its force and paying the cost of that force, other than the United Kingdom?

Mr. Martin (Essex East): I said that in addition there were Ireland and Canada. Other countries are receiving assistance out of the voluntary fund.

Mr. Diefenbaker: Was there any particular reason why Canada should have been placed in this beneficent position?

Mr. Martin (Essex East): Well, if we had not taken this position, in the first place I am sure there might not have been a United Nations force. In addition, we felt the fact that we had to pay for the air lift both going and coming must and should be regarded as a contribution, as well, to the voluntary fund.

Mr. Diefenbaker: The argument the minister makes is accepted, but it does not apply to the second period, the additional period. What has been done in recent weeks to assure that other nations will provide the necessary funds, or at least a portion of the funds, to meet the cost of the Canadian force there?

Mr. Martin (Essex East): As I said, in the first three months assistance was given by the United States and some other countries, providing enough money to pay for the operation of the force; subject, of course, to the undertakings and commitments made by Canada, Ireland and, as the right hon. gentleman says, the United Kingdom.

With regard to the second three month period, there have been further contributions made by a number of the original contributing states. When the question of a renewal of the mandate was considered the financial aspect of the problem was examined, and it would not have been possible for a renewal to take place if the participating countries had not proceeded on the basis established previously.

As I stated in this house, it is regrettable that other states in the United Nations have not recognized their obligations under the charter and made the contributions which membership in the organization involves. However, because other countries have refused to live up to their obligations, that is no reason, as I am sure the right hon. gentleman would agree, why Canada should be delinquent with regard to its commitment.

[*Translation*]

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I should like to direct a supplementary question to the Acting Prime Minister.

Can he confirm or deny the article published in *L'Action Catholique* this morning according to which the United States has delivered CF-104 jets manufactured in Canada to Cypriots and Greeks during this last crisis?

Inquiries of the Ministry

Mr. Martin (Essex East): I think, Mr. Speaker—

[*Text*]

Mr. Speaker: Order. Under the standing orders given to me a question should not inquire whether statements made in a newspaper are correct.

Mr. Langlois: I am not asking whether the newspaper is correct. I am asking the government whether this is correct.

Hon. Paul Hellyer (Minister of National Defence): In respect of that question, Mr. Speaker, the answer was given by me in the house on May 13 and can be found at page 3213 of *Hansard* for that day.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I want to direct a similar question to the Secretary of State for External Affairs, as to whether he has any knowledge of the truth of the statement that Canadian made CF-104 jet fighter-bombers have been delivered by the United States to both Greece and Turkey during the period of the trouble in Cyprus. Has he any information from the United States government to that effect?

Mr. Martin (Essex East): Mr. Speaker, I would not want to answer that question as to what other countries have done without further consideration. I can say that under the mutual aid program to NATO countries, in which Canada participates, the government of this country, shortly after the United Nations force was established, suspended any possible mutual aid assistance to Greece and Turkey for an indefinite period.

Mr. Douglas: A supplementary question, Mr. Speaker. As I recall it, Canada contributed some $50 million to this program. I would like to ask the Secretary of State for External Affairs whether Canada was consulted before any of these planes were delivered to Greece or Turkey, if in fact they were delivered. Since Canada was a major contributor, surely the Canadian government did not allow these planes to be delivered without consultation with and consent by the Canadian government?

Mr. Martin (Essex East): I would like to give that question consideration.

MALAYSIA—REQUEST TO COMMONWEALTH GOVERNMENTS FOR ASSISTANCE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Secretary of State for External Affairs and concerns the rapidly deteriorating condition in Malaysia. Since the announcement today by the chief minister of Sarawak that 1,000 Chinese communists have crossed to Indonesia, and the appeal that comes from the prime minister of Malaysia, as well as the response from the prime ministers of Australia and New Zealand, does the Canadian government intend to offer some assistance to this important part of the commonwealth in southeast Asia?

Hon. Paul Martin (Secretary of State for External Affairs): My hon. friend will remember raising this question on June 25, when he interrogated the Prime Minister. My hon. friend the hon. member for Kootenay West gave me notice this morning of his intention to ask a question along those lines. This matter of Canadian interest in Malaysia is currently under discussion in London, and we look forward within a very few days to the visit to Ottawa of the prime minister of Malaysia. Beyond that at this moment I cannot go.

Mr. Speaker: The hon. member for Kootenay West.

Mr. Herridge: The Acting Prime Minister has answered my question.

AGRICULTURE

REQUEST FOR STATEMENT ON GRANTS TO FAIRS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to address a question to the Minister of Agriculture and ask him whether he would dispel the fears of the Ontario association of agricultural societies by assuring them that the government has no intention of completely cancelling out the grants to class A and class B fairs, which have been suspended for a period of two years.

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I have been in consultation with the executive of the A fairs in this connection; I have also discussed grants with the B fairs executive. I will be meeting them again in the not too far distant future. We have some plans that we would like to discuss with them. We have at the moment a pilot project in so far as livestock exhibits are

concerned, basing them on utility values; and we also have some plans which we think will do an even better job than the old grants did for the fairs since 1947, and which have now been suspended since 1962.

Mr. A. D. Hales (Wellington South): A supplementary question, Mr. Speaker. Could the Minister of Agriculture state whether the capital grants will be continued to the A and B fairs?

Mr. Hays: I suggested to them at the time we were running this pilot project that as soon as it was completed, after the London exhibition, we would like to have the executives of both the B fairs and the A fairs and the exhibitors see us and we would discuss the whole program of grants, prize money, and so on, in so far as exhibitions are concerned. Until such time as this project has been completed, no grants will be considered.

Mr. L. E. Cardiff (Huron): I should like to direct a supplementary question to the Minister of Agriculture with regard to the fall fairs. Does he not think it is a little late for the government to formulate a policy with respect to this important item?

Mr. Hays: Mr. Speaker, I suppose the hon. gentleman is referring to the capital grants which have been suspended, as the hon. member knows, since June of 1962. We have honoured the $3,000 per year for fairs, and there has been no change there. There are many requests for capital grants, but we think with the program we are planning now, if the pilot project is successful, we will be able to do something that the 128 exhibitions in Canada have long needed. We think these fairs are no longer just agricultural societies for agricultural purposes but they are cultural centres. Many of these smaller fairs are asking for $30,000 when they should get $200,000, and that is what we are thinking of.

SASKATCHEWAN—STEPS TO MEET CRITICAL LIVESTOCK SITUATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, first may I say to the Minister of Agriculture that we are glad to see him back after his enforced absence. I am sorry I could not join in partaking of some of that "beelzebub" that he dispensed at the party before the stampede. If I haven't the right word, I certainly have the right sentiment in describing it.

Mr. Martin (Essex East): It was a good party.

Mr. Diefenbaker: I would like to ask the minister whether following his discussions with the provincial government in Regina he is now prepared to accede to the suggestion made by the opposition that action be taken similar to that which was applied during, I think it was, 1961 and 1962, when as the result of drought assistance was given to farmers and cattle raisers in the way of feed, fodder and the like, so no precipitate action would be taken on their part to get rid of their herds at tumbling prices.

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I should like to preface my remarks to the right hon. gentleman so far as the sillabub was concerned by saying that we missed him. I got his letter expressing regret, but I am sure he would have enjoyed the drink very much.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: That is not the way I heard it.

Mr. Martin (Essex East): Mr. Speaker, on a question of privilege, as one of those not invited to this party may I express great envy at the invitation extended to my right hon. friend.

Mr. Diefenbaker: Mr. Speaker, in this very friendly atmosphere may I be allowed to say that I would have been frightened away from it, having regard to the newspaper description given of the minister of defence, which indicated that he looked confused after he partook.

Mr. Hellyer: Mr. Speaker, if there was any such expression on my face it was only due to my attempt to emulate that of the right hon. gentleman when he was there in 1958.

Mr. Douglas: Mr. Speaker, may I be allowed to comment that I thought the minister of defence looked confused before he participated.

Mr. Hays: Now, Mr. Speaker, getting down to the real drought, I might say that this situation is serious. Only one who has been through several dry years on a farm can really appreciate it. Yesterday morning I left Regina shortly before seven and travelled north to Melfort, where this condition starts in Saskatchewan. Although the area around Melfort is fairly good, as you proceed to Prince Albert, a short distance before you

get there is where they are having the greatest difficulty.

Some hon. Members: Oh, oh.

Mr. Hays: I mean with the drought. We travelled some 500 miles, and I am sure everyone feels very sorry for those people because there are many crops which have not received one drop of rain since they were seeded, and there are many areas where there has been no germination. The Prairie Farm Assistance Act will help those people, of course, but this is also a livestock area. Some farmers have no hay and their pastures are almost depleted.

After conferring with the Saskatchewan cabinet I suggested that we would provide space on some of our P.F.R.A. pastures if the farmers would like to move their cattle to those areas where there is feed. We would also like to help so far as moving feed to cattle is concerned. The Saskatchewan government will be forwarding a proposal in the next few days, so I can assure the right hon. gentleman that we are doing something in this regard. We are going one step further, in fact, and in the case of people who are financing their crops through the Farm Credit Corporation—and there are many in this area—if they come and see our supervisors we will be glad to forgo their payments which are due and tack them on to the end of the agreement in another year.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker, with reference to the drought in northern Saskatchewan. Has the federal government indicated to the government of Saskatchewan its willingness to do what was done previously by federal governments, namely pay half the freight assistance for moving feed into the drought area by rail; second, pay up to a certain number of cents per mile per ton for moving feed that is trucked into the area; and third, is the federal government also prepared to pay a part of the cost of the hay and feed in order to keep the figure at an amount which the drought stricken farmers will be able to meet?

Mr. Hays: Mr. Speaker, in the first instance the provinces will have to initiate a program so far as help is concerned. I have assured the province of Manitoba through the minister of agriculture and Saskatchewan cabinet that we are prepared to participate in the plans they put forward, which I cannot disclose until they send them to me officially.

[Mr. Hays.]

Mr. Douglas: A supplementary question, Mr. Speaker. I am asking the minister a specific question. I am not asking him whether he offered to participate. I am asking him what specific things he has indicated to the governments of Saskatchewan and Manitoba the federal government is prepared to do in the event that they are asked for assistance.

Mr. Hays: As far as that is concerned, I do not think I can add anything to what I have already said. They must first initiate the programs in which they want us to participate. I have discussed these programs with them and with the cabinet, and we are prepared to do the things they want us to do.

[*Later:*]

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, in view of the fact that the Minister of Agriculture has expressed his intention of giving farmers affected by drought conditions more time to repay their farm loans, could he not apply the same policy to Quebec farmers whose crops are a complete failure and who depend on them to make a living? I refer to apple growers and strawberry producers.

[*Text*]

Mr. Hays: Mr. Speaker, I dispatched a letter this morning to the minister of agriculture of Quebec offering him the same consideration.

Mr. Speaker: Order. I wonder whether I could have some indication of how many supplementaries there are. The hon. member for Mackenzie.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to direct a supplementary question to the Minister of Agriculture, and in so doing I will give him the opportunity to initiate something on his own. I wonder if the minister would indicate to the house whether he is prepared to introduce immediately amendments to the Farm Improvement Loans Act so that cash can be made available to farmers immediately if they require it to purchase fodder.

Mr. Hays: Mr. Speaker, although this is under the Department of Finance, I would suppose that the amendments to the Farm Improvement Loans Act will be on the order paper within the next two or three days, and if the house leader could be assured that they would be passed in an hour I am sure he would be glad to bring them forward.

[*Later:*]

[*Translation*]

Mr. Pierre-André Boutin (Dorchester): Mr. Speaker, since the Minister of Agriculture is going to all sorts of trouble to visit western farmers who are having a hard time, I should like to ask him if he would care to take the same trouble to visit eastern farmers who are up against a crop failure, this spring, especially as regards maple syrup.

[*Text*]

Mr. Hays: Mr. Speaker, according to my agenda I am leaving for eastern Canada on July 21.

Mr. P. V. Noble (Grey North): May I ask a supplementary question of the Minister of Agriculture. I am wondering if he would give also consideration to assisting those farmers in Ontario who have been suffering from drought. I am sending him a letter tomorrow which will indicate the circumstances.

Mr. Hays: I have no report yet from the minister of agriculture for Ontario.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker I should like to ask a supplementary question?

Since tobacco growers in the Joliette area have suffered losses of $1 million caused by strong winds lately, does the Minister of Agriculture intend to help pay for those damages if the province of Quebec submits an official claim?

[*Text*]

Mr. Hays: Mr. Speaker, the minister of agriculture for Quebec has not indicated this problem to me as yet.

[*Later:*]

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, may I address a question to the Minister of Northern Affairs and National Resources. In view of drought conditions in northern and central Manitoba and the anticipated shortage of fodder and hay, would he give consideration to issuing special permits to cut hay in Riding Mountain national park, something which was done several years ago under conditions very much like those of this year? I may add that I have received a number of letters and petitions which I could quote to the minister. I hope he will give this matter his urgent attention.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, we are fully aware of that and have had applications from a number of people. It would appear that in the past permits have been granted, and some practices grew up that were not of the best. We are certainly going to be very careful that this does not arise again. We have permitted some grazing in the park, and we have told the superintendent to use his own discretion in respect of the apparent need of those making applications to him.

Mr. Mandziuk: On a point of order, and just to correct the impression the minister has given the house, there are people who have been grazing their cattle in the park for years and years and years. There have been people who have received annual permits to cut hay in the park. What I am seeking are special permits for needy farmers; and I may say I have not heard of any abuses during past experience.

FEED GRAIN FOR EASTERN FARMERS—APPLICATION OF ARDA IN QUEBEC

On the orders of the day:

Mr. Raymond Langlois (Mégantic): I have a supplementary question for the Minister of Agriculture. I am sorry he has had so many questions today, but that is probably because he was absent for a few days. Can the minister tell me the position with regard to negotiations concerning feed grains for the province of Quebec, about which I asked him last November? Will he consider looking into this problem in an attempt to find a solution for the eastern farmers?

[*Translation*]

Hon. Maurice Sauvé (Minister of Forestry): Some questions were put to me yesterday concerning feed grain. I replied that we were now preparing a program and that, next week probably, I would be in a position to announce the payment of transportation charges for feed grain in all the provinces of eastern Canada.

While I am on my feet I should like to answer the following question asked yesterday by the hon. member for Nicolet-Yamaska (Mr. Vincent):

> —whether, besides general agreements signed by the ten provinces in October 1962, the federal government concluded agreements with the province of Quebec in 1962?

The answer is yes, with regard to general agreements, and no for the other agreements which were almost all signed in January 1963.

Inquiries of the Ministry

Mr. Clément Vincent (Nicolet-Yamaska): Could the minister say whether on December 6, 1962, the federal government and the province of Quebec signed an agreement under ARDA to carry out a $185,000 survey in the riding of Mégantic? Apparently such an agreement was signed on December 6, 1962.

Mr. Sauvé: Mr. Speaker, that is not the question the hon. member asked me yesterday. If he had phrased it differently I could have given him a reply.

Mr. Vincent: I asked the minister if, in addition to the general agreements signed with the ten provinces in October 1962, a supplementary arrangement was made that year? If I remember well, on December 6, 1962, the federal government and the province of Quebec signed such an agreement with a view to carrying out a survey in the riding of Mégantic.

Mr. Sauvé: Well, Mr. Speaker, we do not agree on the meaning of the terms. In our opinion an arrangement is an agreement entered into between the federal government and a province, while the hon. member is now dealing with a proposal submitted by the province of Quebec for approval by the federal government under ARDA.

In any case, I will consider the matter raised by the hon. member.

[*Text*]

Yesterday the hon. member for Qu'Appelle asked if I would make clear the requests of the province of Quebec concerning the extension of shared programs with the federal government.

At the last federal-provincial conference the Quebec government indicated clearly that it wanted to maintain the agreements on ARDA that were signed between Quebec and the federal government. ARDA is one of the joint programs they felt was excellent. While I was in Mont Joli during the week end with the minister of agriculture, Mr. Courcy, he did not mention specifically that Quebec would remain in ARDA, but in his prepared text it is clearly indicated that this is their intention. In answer to a question of mine he replied that Quebec was very satisfied with the ARDA program, as it was a program in a field of joint federal-provincial jurisdiction.

[Mr. Sauvé.]

[*Later:*]

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, may I put a question to the Minister of Agriculture?

As the minister knows very well, on the basis of the subsidies paid out, transportation of feed grain in eastern Canada, that is in the province of Quebec, costs $5 a ton in the Montreal district and $6.20 in the northwest part of the province, including Abitibi and Témiscamingue, even though the grain passes right in front of our doorstep to reach Montreal. Does the minister intend to take appropriate steps and pay the same subsidies in Abitibi and Témiscamingue so that transportation of feed grain in those areas will not be more costly than in the southern part of the province?

Mr. Sauvé: Mr. Speaker, I stated yesterday in reply to a question an hon. member put to me, that next week I intended to announce a decision concerning the payment of trucking charges for feed grain in all eastern Canada, as shown at page 5206, right hand column, of *Hansard*.

Mr. Caouette: I put a question to the Minister of Agriculture and it is the Minister of Forestry who replies that next week he will have an answer for us. Can the minister tell us now what steps have been taken to put us, from Quebec or eastern Canada, on the same footing as the others?

Mr. Sauvé: Mr. Speaker, the hon. member should know that since March 5 I am the minister responsible for the subsidy policy concerning the transportation of feed grain. The civil service commission has made public the appointment of a director of the feed grain administration and next week I shall announce the policy respecting the payment of trucking charges for feed grain in all areas of the six eastern provinces of Canada.

[*Text*]

Mr. Speaker: Order, please. I should like to call to the attention of hon. members that the question period has now lasted 64 minutes. I am wondering whether we could not get on with the business before the house.

[*Translation*]

Mr. Langlois: I thank the Minister of Forestry for the information he has given us. There has been so much activity in the house that his appointment passed unnoticed.

Mr. Sauvé: I wish to protest against the words of the hon. member. I am convinced that he does not mean what he said.

Everybody knows that when no announcements are made in the house regarding new policies, this does not mean that nothing is being done.

When I stated that next week I would announce a new policy in respect to the payment of trucking charges for feed grain, it is precisely because some spade work had been done; indeed, this achievement is the result of two months work. I wish the hon. member would give credit where credit is due.

Mr. Langlois: I am glad to do that and to thank the minister for the work that has been done. I was not aware of the situation.

[*Text*]

MILK—INQUIRY RESPECTING FREE DISTRIBUTION TO SCHOOLS

On the orders of the day:

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, I too would like to direct a question to the Minister of Agriculture. I am sure you appreciate, sir, that we have to ask these questions when we have the opportunity of catching the minister in the house. Mr. Speaker, I would like to ask the minister if it is the government's intention to introduce legislation at this session to implement the program of providing free milk to schools, as promised in the throne speech?

Hon. Harry W. Hays (Minister of Agriculture): In reply to this question, Mr. Speaker, the hon. member might be surprised to learn that in Canada the consumption of milk is probably the second highest in the world. Now, due to the very buoyant economy of Canada, most children have so much milk before they get to school that we can't get any more milk into them.

Mr. E. Nasserden (Rosthern): Mr. Speaker, I have a supplementary question for the Minister of Agriculture. I wonder whether he would indicate to us how soon the government will be prepared to present legislation to provide for free milk for students.

Mr. Hays: Mr. Speaker, I have discussed this with all the ministers of agriculture in Canada. We have discussed the matter with many of the people who are interested, but many of the ministers think this is a program which, as I suggested before, due to the state of the economy we should wait a little while before pursuing any further.

Inquiries of the Ministry

THE SENATE

DELAY IN CONSIDERING LEGISLATION PASSED BY HOUSE

On the orders of the day:

Hon. J. W. Monteith (Perth): I should like to ask a question of the Acting Prime Minister. In view of the fact that the government pressed for immediate passage of the defence bill last Monday and the youth allowance bill last Tuesday so these measures could be implemented immediately, could the Acting Prime Minister say when the other place will next meet so these bills can pass and receive royal assent?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I shall be glad to give my hon. friend an answer before six o'clock.

Mr. Monteith: May I ask a supplementary question. Does the Acting Prime Minister not think that, because of the urgency of these bills, the government is being very negligent?

Mr. Martin (Essex East): My hon. friend would not expect, on a day when we are all so agreeable with one another, that I would take opportunities to disagree with him. However, on the last point I must. I do agree that these matters are very important and the quicker they can be put into effect the better it will be. I assure my hon. friend that in this spirit of understanding we will do what we can.

Hon. Marcel Lambert (Edmonton West): Will the Acting Prime Minister not agree that next Wednesday, July 15, is the date on which the other house is to be convened? Is this in the spirit of urgency?

Mr. Churchill: It is in the newspaper; he will find it.

Mr. Martin (Essex East): I want to inform my hon. friend that my unofficial newspaper, the Ottawa *Journal*, informs me that the Senate has been recalled for Wednesday next.

[*Later:*]

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a question for the Acting Prime Minister. I wonder whether he would get authority to summon the Senate in order to get on with the business of the country. I base my question on a statement made on Monday by the Minister of National Defence disclosing a very difficult set of circumstances. He said:

> —every day that goes by now without the bill being passed aggravates the situation which exists at national defence headquarters.

That was in respect of morale. He went on to say:

> It not only aggravates the situation in respect of morale at national defence headquarters but it results in the postponement of potential savings involving tens of thousands of dollars.

I ask the Acting Prime Minister, should not immediate action be taken in order to correct this situation?

Mr. Martin (Essex East): Mr. Speaker, since the question was put a few moments ago I have sent a note to my colleague, the leader of the government in the other place. I hope to see him before too long.

POWER

FRASER RIVER—FEDERAL PARTICIPATION IN DEVELOPMENT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I should like to direct a question to the Minister of Northern Affairs and National Resources. Has the minister any information he can give the house with respect to the announcement of Premier Bennett of British Columbia that his government intends to proceed with the development of the hydro potential of the Fraser river, and expects the federal government's financial assistance to this end?

Mr. Speaker: Important as that question may be, I wonder if the hon. member would put it on the order paper?

Mr. Herridge: May I, with all respect for your ruling, Mr. Speaker, say that there is a measure of immediacy about this question?

Mr. Speaker: Under the circumstances the hon. member has the opportunity to raise the matter at 10.30, and he can still put it on the order paper.

Mr. Fisher: That is pretty late for him.

EDUCATION

STUDENT LOANS—OBJECTION BY QUEBEC UNIVERSITIES

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Secretary of State. Could he tell the house whether he was made aware of the joint releases issued by student associations of the universities of Montreal, Laval, Sherbrooke and of classical colleges and teachers' colleges of the province of Quebec, in which students expressed their complete disagreement with the bill concerning federal loans to university students because they consider them as an infringement of a strictly provincial jurisdiction, that is education?

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I think that when the hon. member reads the bill, which will probably be on the order paper next week, he will realize himself that all prerogatives and rights of the provinces are entirely respected.

Mr. Pigeon: Is that co-operative federalism?

[*Text*]

Mr. T. C. Douglas (Burnaby-Coquitlam): May we ask the minister when we will see the bill? We have been waiting a long time.

Mr. Lamontagne: I would hope the hon. member would refer his question to the house leader.

Mr. Douglas: May I ask the house leader when we will see the legislation dealing with student loans?

Hon. Guy Favreau (Minister of Justice): I am sorry, Mr. Speaker, I did not get the question fully, but I think I heard the words "student loans". If the question is in relation to student loans legislation I may say that the resolution will be on the order paper at the very beginning of next week.

Mr. Douglas: On a point of order, Mr. Speaker, apropos the answer just given by the Minister of Justice, on Tuesday the Acting Prime Minister told us that the student loans legislation would be placed on the order paper about Friday of this week. Now the Minister of Justice says that he hopes it will be early next week. The government has been telling us about the great necessity to get on with this legislation, yet we are still waiting for the government to bring it down and we have been given no opportunity to study it. We are beginning to wonder what all the talk about the opposition holding up government progress means when the government has not yet laid this legislation before the house.

I want to ask the Minister of Justice what is the reason for this delay on legislation which the government announced in the speech from the throne and which we are still waiting to see, and which we were told would be available at the end of this week.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, if there is any difficulty in the matter I must accept responsibility. My hon. friend is right. I did say that I thought it

would be on the order paper on Friday. I think I said on Friday but, as the Minister of Justice has said, it will be on Monday, and if my hon. friend will extend the blame to where it belongs, that is to the statement I made. I thought it would be about Friday but it will be on Monday.

[*Translation*]

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I would like to ask a supplementary question.

[*Text*]

Mr. Speaker: Order. A supplementary question on what?

[*Translation*]

Mr. Grafftey: Regarding loans to students, Mr. Speaker.

Mr. Speaker: Very well.

Mr. Grafftey: Mr. Speaker, I should like to put my question to the Secretary of State. Is the delay due to the fact that the government failed to get in touch with the provinces?

Mr. Lamontagne: Mr. Speaker, I am sorry, but I did not hear the hon. member's question.

Mr. Grafftey: Mr. Speaker, I will repeat my question. Has the government communicated with the provinces concerning the students' loan bill?

Mr. Pigeon: Since education comes under the jurisdiction of the provinces.

Mr. Lamontagne: Mr. Speaker, the responsibility for introducing this bill to the house is not mine and I think this question should be directed to the Minister of Finance.

[*Text*]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, perhaps I might be permitted to answer the question. There was a very satisfactory and co-operative meeting between officials of the federal and provincial governments on this matter on Monday of this week. The legislation will be presented at the very beginning of next week.

Mr. Douglas: May I ask the minister, when the government gave notice of this legislation in the speech from the throne had it then made any contact with the provincial governments regarding whatever arrangements had to be worked out with them?

Mr. Gordon: Mr. Speaker, there have been conversations going on about this legislation for some time. The meeting I referred to that took place on Monday was the final one.

[*Later:*]

Mr. Erik Nielsen (Yukon): I have a question for the Minister of Finance with respect to the meeting which was held with him last Monday regarding student loans. Could the minister inform the house whether all provinces were represented at that meeting?

Mr. Gordon: I was not at the meeting, Mr. Speaker, but I am informed that all provinces were represented.

SHIPPING

ASSISTANCE FOR TOURIST OPERATORS ON LAKE HURON

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. In view of the aid being granted to drought stricken farmers, is the government planning any aid for drought stricken tourist operators on lake Huron?

Mr. Speaker: Surely this is a question for the order paper.

Mr. Aiken: Mr. Speaker, I absolutely fail to understand where there is a difference between drought stricken farmers and drought stricken tourist operators. These tourist operators have not asked for help in a generation. They are now in urgent need, and I do not see why we are greeted with silence when we ask questions on an urgent situation like this.

LABOUR RELATIONS

TORONTO—FEDERAL ASSISTANCE IN SETTLING NEWSPAPER STRIKE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I intended to ask the Minister of Labour. In his absence I understand it should be directed to the Minister of National Health and Welfare and with your permission, sir, I would like to do that. Having in mind the fact that this afternoon a lockout or walkout has closed the daily press of Toronto, and the fact that a million readers are affected, may I ask if the minister is aware of the situation, and would the department be willing to use its good offices in this matter?

Inquiries of the Ministry

Hon. Judy V. LaMarsh (Acting Minister of Labour): Mr. Speaker, I was informed, when I received notice of this question, that this is a matter for the provincial authorities. The situation is apparently under control and is being watched carefully by Mr. Rowntree, the Ontario minister of labour. According to newspaper reports the minister met with the parties yesterday and is continuing to do so.

ROYAL CANADIAN MOUNTED POLICE

TORONTO—REPORTED USE OF WIRE TAPPING

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I direct a question to the Minister of Justice and ask whether he has any statement to make on the truth of the charges regarding wire tapping by the R.C.M.P. in Toronto.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, this charge is denied.

Mr. Orlikow: As a supplementary question, would the government give consideration to allowing time for discussion of Bill No. C-103, proposed by the hon. member for Brant-Haldimand, dealing with the question of wire tapping, or will the government bring forward its own legislation on this matter?

Mr. Favreau: Mr. Speaker, we shall have to look into that question.

Mr. T. C. Douglas (Burnaby-Coquitlam): As a supplementary question, when the Minister of Justice says this charge is denied is he referring to the denial of Assistant Commissioner Lemieux, or is the minister himself making this denial after having personally investigated the charges?

Mr. Favreau: I have communicated with the authorities in this regard and it is as a result of my conversation with them that I denied the charge.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Would the Minister of Industry tell the house whether he has yet been in receipt of a communication from the corporation of the city of Vancouver in connection with the Kitsilano property, and particularly whether the corporation takes a strong stand against any fragmentation of this property and turning any of it over to the C.B.C.?

Hon. C. M. Drury (Minister of Industry): Apart from the telegram to which reference was made in the house yesterday, I am informed that Crown Assets Disposal Corporation has not yet received any proposal from the city of Vancouver.

Mr. Diefenbaker: And has no communication been received by the minister?

Mr. Drury: No, Mr. Speaker.

HOUSE OF COMMONS

REQUEST FOR IMPROVED QUARTERS FOR INTERPRETERS

On the orders of the day:

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, I wish to direct to the Secretary of State a question which I also consider as a question of privilege.

According to my information, the interpreters of the house, who translate from English into French and vice versa, do not have air conditioning in the booths where they must stay between 40 and 50 minutes at a time, a situation for which the Secretary of State is directly responsible.

We raised this question some time ago, but the Secretary of State did not know what to answer. Today, is he ready to tell us that those employees will be treated like human beings and not like beasts of burden, as has been the case up to the present, that is in this year 1964?

I am asking the question and I make it a question of privilege.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, I must say to the hon. member that I am not responsible for the working conditions in the house.

Mr. Caouette: Mr. Speaker, I wish to put a supplementary question.

[*Text*]

Mr. Speaker: Would the hon. member put his question in writing and pass it to the Speaker?

[*Translation*]

Mr. Caouette: Mr. Speaker, I should like to ask a supplementary question.

I am told that you are not responsible for that situation as far as the interpreters are concerned and that the Secretary of State is directly involved in that matter.

I wish to know—and the house too I am sure—whose responsibility it is to treat these civil servants decently when they have to work for hours and hours in almost unbearable, and certainly unreasonable, conditions.

[*Text*]

Mr. Speaker: In order to settle this matter, which is in the nature of a complaint rather than a question of privilege, may I say that the Speaker is, I understand, responsible for the physical arrangements of the house. The Secretary of State is responsible for the salaries.

Mr. Caouette: Would you assure me that the Speaker intends to look after these matters?

Mr. Speaker: Would the hon. member put his request in writing?

Mr. Caouette: Right.

Mr. W. B. Nesbitt (Oxford): A supplementary question directed to the parliamentary secretary to the Minister of Public Works in the absence of the minister. Is the hon. member aware that last year I raised this matter and I was assured, as I recall, by the Minister of Public Works that during the recess last fall this matter would be attended to. I wonder whether plans have yet been drawn up. Perhaps the parliamentary secretary would take this question as notice and let us know.

Mr. G. Roy McWilliam (Parliamentary Secretary to Minister of Public Works): In the unavoidable absence of the minister, I will take that question as notice.

BILINGUAL QUALIFICATIONS OF DIRECTOR OF LEGISLATIVE SERVICES

On the orders of the day:

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a question to the Secretary of State, who is the minister responsible for this matter.

Considering that Mr. Small, whose appointment has been announced recently, speaks only one language because he did not have time to study French, will consideration be given to grant him leave in order that he may learn French, as I do not think he is qualified to take the direction of the French journals, debates, references and index?

[*Text*]

Mr. Speaker: Would the hon. member write a letter in the usual way, as provided for in our standing orders.

[*Translation*]

Mr. Gérard Girouard (Labelle): Mr. Speaker, I rise on a point of order. At the time the establishment of the position of director of legislative services was announced in the house, Your Honour said that this was a matter of interest to all hon. members.

Would it not be possible to know why all hon. members cannot get information at the same time on the fact that Mr. Small is a unilingual official and why one must ask for such information in writing?

[*Text*]

Mr. Speaker: This is the same question. The hon. member should know—and if he does not know I will tell him—that the proper way is to address a letter to the Speaker and he will get a detailed reply.

THE CANADIAN ECONOMY

STEPS TO MEET REPORTED INCREASE IN COST OF LIVING

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I wish to direct a question to the Minister of Finance. Does the government expect to make an announcement shortly concerning measures to hold down the spiralling cost of living?

Hon. Walter L. Gordon (Minister of Finance): I question the allegation contained in the hon. member's inquiry. When the government has an announcement to make it will make it in the normal and proper way.

Mr. Aiken: May I address a supplementary question to the whole cabinet. When are we going to get answers to some of our questions?

BROADCASTING

COMMUNITY ANTENNA SYSTEMS—REQUEST FOR POLICY CLARIFICATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to direct a question to the Minister of Transport arising out of the recent annual report of the board of broadcast governors. What are the minister's feelings regarding the recommendations for legislation and regulatory changes affecting community antenna television?

Hon. J. W. Pickersgill (Minister of Transport): I hope it will be possible in the very near future to make a statement on this matter.

Inquiries of the Ministry

Mr. Fisher: A supplementary question. Are these recommendations the consequence of any discussions with the minister and his officials?

Mr. Pickersgill: If I may say so, with due respect, I think that is a somewhat extraordinary question to be asked in parliament. It is assumed that ministers have officials in order to consult with them, and it is also assumed that ministers take responsibility for what they do in this house. When I have a statement to make, if I make it I will take responsibility for it.

Mr. Fisher: The hon. gentleman did not hear the last part of my question. I should like to know whether the recommendations of the board of broadcast governors were arrived at after consultation with the minister and his officials. The reason I ask this is because they hardly square with some of the previous statements made by the minister.

Mr. Pickersgill: I suggest the hon. gentleman should read the statement which was tabled in this house some time ago. I think it speaks for itself.

TRADE

OIL—REPORTED U.S. INTENTION TO RESTRICT IMPORTS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): I should like to address a question to the Minister of Trade and Commerce. It arises out of action taken by the independent petroleum association of America in asking the department of the interior for urgent action to reduce oil imports by 200,000 barrels of petroleum a day. Has Canada made any representations with respect to this matter, or have we been informed that we will be exempt from these import restrictions as has been the case in the past?

Hon. Mitchell Sharp (Minister of Trade and Commerce): The energy board and I have spent a great deal of time defending Canada's interest in the export of petroleum. The item which appeared in the newspaper, and to which the hon. member has referred, should not come to him as any great surprise. Certainly it will be no surprise to anyone familiar with the situation. There has been very strong pressure in the United States to reduce imports, and I think we have been relatively successful in resisting it.

GIFT OF CATTLE TO SOVIET UNION

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): I wish to address a question to the Minister of Agriculture and ask him what was the reason for making a gift of a number of cows to the Soviet union, and to whom were they sent?

Hon. Harry W. Hays (Minister of Agriculture): I paved the way personally for the export of Holstein cattle to 22 countries of the world by giving them two or three and enabling them to see the job those cattle could do. In the Soviet union I was down at a place called Krasnodar where they were milking 800 cows, and it seemed to me that one of our cows would do the work of three of theirs. I said we would be prepared to give them three head to prove our point and I hope, as a result, we shall open up a market there which will be of benefit to all Canadians.

Some hon. Members: Hear, hear.

TOBACCO—STEPS TO DISPOSE OF SURPLUS

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Minister of Trade and Commerce.

Since about a year and a half the St. Jacques tobacco co-operative, in the county of Montcalm, has more than a million pounds of unsold cigar tobacco; what does the minister intend to do in order to sell that surplus either on the Canadian market or on the foreign market?

Mr. Caouette: Make cigarettes with it.

[*Text*]

Mr. Speaker: This is a question for the order paper.

HOUSING

REPORTED ADVERSE EFFECT OF CONSTRUCTION BONUS

On the orders of the day:

[*Translation*]

Mr. Robert Beaulé (Quebec East): Mr. Speaker, I should like to direct a question to the Minister of Labour, but in his absence I will direct it to the Minister of National Health and Welfare. Does the minister share the view of the contractors' association that the $500 bonus for building houses in winter

is the direct cause of the slowing down of business as far as the building trade is concerned, at the present time?

[*Text*]

Hon. Judy V. LaMarsh (Acting Minister of Labour): I am afraid I did not hear the first part of the question. I will have to take it as notice and refer it to the Department of Labour when I have had an opportunity to study it.

WATER RESOURCES

FRASER RIVER—FEDERAL AID IN IMPLEMENTATION OF BOARD REPORT

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. I would like to ask him whether the government of Canada has been requested by the government of British Columbia to participate in implementing the report of the Fraser river basin board.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, all I know at the present moment is what was contained in the press reports and other reports I have received pertaining to the statement made by Premier Bennett in British Columbia yesterday morning. I think on April 17 I informed the house that I had written the minister concerned in the province of British Columbia, Hon. Mr. Williston, after the tabling of the Fraser river report, suggesting that we should meet with a view to implementing certain aspects of the report.

He was good enough to come to Ottawa a few days later. We had discussions in respect of phase 1 of the report, which involved the strengthening of the Fraser river dikes. This was the first priority of the board having regard to the cost benefit studies, and this would involve a cost of about $4.9 million. Mr. Williston undertook to engage the requisite engineers and report back to us. He also indicated to us that he would be making application under the provisions of the Canada Water Conservation Assistance Act.

This is certainly stage 1 of the report. I rather think the statement made by the premier of British Columbia yesterday arises out of the fortunate deliverance of the Fraser valley from flood as a result of the recent winter in the province of British Columbia. Had all the forces of nature been ranged against us we would have had a flood there this last spring; and many of the forces of nature were ranged against us. But I think when Premier Bennett says he is making application for 50 per cent of the cost of phase 2, which involves damming the McGregor, the Clearwater and the Cariboo rivers—

Mr. Grafftey: His precise writer is away on holiday.

Mr. Laing: —he must be aware that the provisions of the Canada Water Conservation Act provide for a participation by the federal government of 37½ per cent only, and that where power is derived there is a markdown in the amount of federal assistance to allow for the value of power. I think the premier is aware of all these factors.

Some hon. Members: Hear, hear.

Mr. Grafftey: Brevity.

Mr. Speaker: Order, please.

INDUSTRY

QUEBEC—DISCUSSIONS RESPECTING ESTABLISHMENT OF AUTOMOBILE INDUSTRIES

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I should like to direct a question to the Minister of Industry—I have asked him already this week a similar question—concerning the establishment, in the province of Quebec, of the Peugeot and Renault companies as well as their negotiations with that province in that respect.

Could the minister inform us of the result of these negotiations with the provincial government up to now?

Hon. C. M. Drury (Minister of Industry): No, Mr. Speaker.

Mr. Langlois: A supplementary question, Mr. Speaker. Can the minister give us the approximate date when he might be able to give us an explanation or information in that respect?

Mr. Drury: No, Mr. Speaker.

[*Text*]

CITIZENSHIP AND IMMIGRATION

REPORTED STATEMENT BY VANCOUVER FOOTBALL PLAYER

On the orders of the day:

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, yesterday the hon. member for Simcoe East was

kind enough to draw to my notice a newspaper article regarding Mr. Dick Fouts, of Vancouver, described as an all-star defensive end with the B.C. Lions. According to the article, Mr. Fouts' view was that his potential for Canadian citizenship as of July 14 was a factor which should be considered in his present salary negotiations with his football team.

I have read the newspaper item, as the hon. member suggested, but I do not feel that it would be appropriate for me to single out this particular applicant for citizenship for admonition only on the basis of the newspaper report, which may be an oversimplification or an abbreviation of his comments on his feeling toward Canadian citizenship.

The citizenship of any country is a valued and treasured thing, and I think it appropriate for me to say, as minister, that I am in full agreement with the views of the hon. member for Simcoe East on the value of Canadian citizenship.

Perhaps I need only say further that any applicant for Canadian citizenship must meet the statutory requirements and satisfy a court that he is a fit and proper person to become a Canadian citizen, with an adequate knowledge of the responsibilities and privileges of Canadian citizenship and the intention of having his place of domicile permanently in Canada. If Mr. Fouts can satisfy these requirements I know we would all wish to offer him the congratulations which we accord to other applicants in the same circumstances.

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I wonder whether the minister would check on this matter and see whether this is a fact. I did not understand him to say he would do so. I think this is worth investigating and should be investigated.

Mr. Tremblay: Usually, Mr. Speaker, although a minister can comment on facts reported to the house by a member, it is not the responsibility of the minister to disclose what he is told or to say whether a newspaper report is correct.

TERRITORIAL SEA AND FISHING ZONES

LEGISLATION RESPECTING TERRITORIAL WATERS AND FISHERIES LAWS

Hon. Paul Martin (Secretary of State for External Affairs) moved the third reading of Bill No. S-17, respecting the territorial sea and fishing zones of Canada.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have just one question. I should like to ask the Minister of Fisheries why a question which I had on the order paper for April 27 concerning this legislation was not answered until June 10, in view of the fact that this legislation was being brought forward for discussion in the house. Then I asked a further question of which notice was given on June 30 concerning this particular matter, which question has not yet been answered.

If the minister is in a position to answer all the matters concerning this bill, surely those questions should have been answered by now. I must say I did find it rather reprehensible on the part of his department to withhold the answer to question No. 880 from April 27 to June 10, when the bill was then in committee, as this question should have been answered prior to discussion of this legislation in the house.

The second question I have asked and which I think the minister should be able to answer is No. 1,397, which is as follows:

1. What is the nature of the declaration made by the Minister of Fisheries with respect to the increased activities of European fishermen, as a result of the modernization of harbour and other facilities for fishermen on the islands of St. Pierre and Miquelon?
2. Have negotiations been entered into between Canada and the six nations of the common market with respect to fishing rights and/or the activities of fishermen of those nations?
3. Has the government of Canada received protests from any of the governments of the common market nations either on an informal or formal basis?

That question was based on newspaper reports that the minister had made a declaration, and that particularly the French government authorities were most concerned over his declaration. If this legislation envisages closing off the gulf of St. Lawrence, just how are these new port facilities to be affected and how are the fishermen from these nations to be affected by the intent of the government's legislation?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, the answer to question No. 1,397 is ready and is being sent to the parliamentary secretary responsible for bringing the answers before the house. The report referred to by the hon. member is completely false, and arose from a statement I was supposed to have made before the committee on marine and fisheries. As I say, the report was false and the Canadian ambassador in Paris was notified accordingly.

Motion agreed to and bill read the third time and passed.

DOMINION-PROVINCIAL RELATIONS

PROVISION FOR REVISION OF FISCAL ARRANGEMENTS AND TAXATION PROVISIONS

The house resumed, from Tuesday, July 7, consideration in committee of the following resolution—Mr. Gordon—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

Mr. Diefenbaker: Mr. Chairman, in speaking on this resolution I intend to traverse generally the position of dominion-provincial relations in recent years, to deal with the various courses of action that were taken to meet the needs of the provinces to an ever increasing extent and, before I conclude, to make certain suggestions relative to courses of action which we in the opposition believe should be taken.

I commence by referring to the expeditious way in which legislation has received the attention of the house during the last few days. Indeed, this has been the first opportunity the house has had to deal with legislative matters or resolutions necessary for the welfare of the country, and you will have noticed in this regard, Mr. Chairman, that in every way the opposition, joining in the need for examination and maintaining its rights to scrutinize carefully and criticize where necessary, has expeditiously given passage to these measures.

It is of more than passing interest that the government has revealed itself again today as not having its legislative program ready despite the fact that many of these matters were included in the speech from the throne. With the possible exception of the flag question, which only in the month of June became one of transcendent importance, these other matters have been before the government since February; yet we find today that a matter as important as loans to students, which was one of those things which were to receive attention during those momentous 60 days of decision, is not yet ready. Furthermore, we learned that while we gave passage to the defence bill following careful examination, as well as one or two other matters of legislation, the government, which enjoys an overwhelming majority in the other place, has not seen fit to have the other place sitting so these matters, major in the viewpoint of the government, would not be delayed.

All of this is indicative of a state of mind. Events of recent days, not excluding the resolution now before the house, are indicative of a determination on the part of the government to have an election at an early date. These questions are brought up, but ever and anon we are informed that over us, as a portent of the possibility of a vacation, hangs the sword of Damocles, if I may borrow that allusion, should we fail to do what the government wants. Measures such as redistribution are left in cold storage. This is all most interesting; and when we realize something of the degree to which the press favourable to the government keeps referring to the opposition denying the passage of legislation, it all looks to me like an excuse in anticipation.

This resolution is important. It represents a further step in the field of dominion-provincial relations. Its design and purpose, I take it, are to bring to our country a greater degree of unity. I think all of us as Canadians are most anxious to do all we can to bring about unity within our country. Yet it is passing strange that three years before Canada will celebrate the one hundredth anniversary of confederation too few Canadians have knowledge of the history and the traditions of this country, of the meaning of the federal system. Only the other day it came to my notice that while in other countries those who were the fathers of their countries are remembered and recalled, few Canadians, even in this house, would be able to name more than a few fathers of confederation if asked to do so. I am not placing myself in any higher category, but if we had an i.q. test in this connection I do not think the House of Commons would be able to achieve a higher degree of favourable marks than the average Canadian.

Strange it seems that we in our country do not look at our past and our traditions. Strange it seems that when one looks at the Canadian Almanac, the Parliamentary Guide, the Canada Year Book and the Encyclopaedia Britannica there is no reference in any of them to the names and the persons of the fathers of confederation. I hope that in so far as the parliamentary red book is concerned, that will be rectified, and in any other publications of the government of Canada. It shows on our part a lack of appreciation of the spiritual values of our nation. I entered into a competition with myself in this regard to name the fathers of confederation, and I did not get too far along the road after I had brought to mind those who from time

to time receive consistent reference. All of this indicates the need of something being done to bring about a strengthening of our confederation through knowledge and through an appreciation of history.

The resolution placed before the house by the minister is one that I am sure will receive close examination. It is of interest to note that the minister in his palmy days of authoring dreamed of the day when deficits would be no more, when the halcyon days of Liberalism would return, to use his own words, and deficits would be at an end. Since the Minister of Finance has been in office we know now that deficits can be respectable, deficits can be worthy of commendation, provided they represent deficits incurred by a government of which one is a member.

The minister is in this position; that on the basis of the lost revenue consequent on this resolution being passed and the legislation based thereon translated into law, he must act. In the United States taxes are being cut and the economy is being advanced and accelerated. We in Canada, following the acceleration in the United States have, in the backwash, necessarily been carried along as a result of the expansion in the economy there. The minister must inevitably, whenever he brings in another budget, increase taxation in Canada. Income taxation is bound to go up. This is another reason why the government is looking for an excuse for an election. Being a diplomatic group, they do not want to do anything that might cause ill feeling in this nation.

A moment ago, sir, I mentioned the economy in the United States. I read from the New York *Times* of June 28:

> Economy of the United States sets a record for first half. Boom continues through its fortieth month for longest peacetime surge since world war II.

We said the boom was under way when they were in opposition, and those who sit on the treasury benches today said there was no boom. Now they admit we are in the fortieth boom month in Canada; the minister himself admitted that. In the United States, however, it is predicted that there will be clear sailing for another nine months and thereafter no one can predict. All these things, taken together with the attitude of this government from day to day, indicate that if they can gallop without appearing to do so, to hold an election, they will do just that, and endeavour to blame the opposition.

I again emphasize this. Bring on your legislation. Just as an aside I may say that the Minister of Agriculture and those associated with him in the first 60 days were going to give milk to all the school children in Canada. Where has it gone? Where has that promise gone? It is just another one. They promised 10,000 scholarships. Where are those scholarships? They would make an idea attractive for another election. Even an hon. member like the Secretary of State for External Affairs, who is completely removed from political considerations at all times, would see the advantages in this, the possible use of the same promise twice. This is a cynical attitude taken by some, but not those on this side of the house.

Now, sir, what about these fiscal arrangements? Well, it is of interest to follow them. The course in this regard has been equally uncertain as in so many other cases. They advanced their ideas. Several federal-provincial conferences were held. The premiers gathered. Naturally they wanted a larger share of the tax dollar because they could not discharge their responsibilities under the constitutional distribution of powers. They did not get very much until things started to move. One or the other of the premiers said that action was going to be taken. At the last federal-provincial conference there was set up a committee for an in-depth examination of our general fiscal situation as between the federal government and the provinces.

Then the criticism came. The government decided not to wait for the expert advice they would have received in that connection. The first two conferences indicated a lack of imagination since this government came into office; a lack of preparation and a lack of purpose; changing goals in mid conference and a lack of definite proposals so there had not been sufficient preliminary study. There was uncertainty; one day on and another day off. Finally, after this year's conference, there was strong criticism of the government of Canada. Then, suddenly, there was recognition by the government that some action should be taken.

When we came into office we said we would assure the provinces a larger share of the tax dollar, and we did so. I intend to refer to that in particular. The necessity for this resulted from the fact that the previous government had failed to discharge its responsibilities to the provinces. They had left Canada in such confusion and annoyance, that even those who ordinarily were members of the Liberal fold were critical.

I think of the tradition of the Atlantic provinces before we came into office in 1957. The hon. member for Victoria-Carleton was

premier of New Brunswick. He saw the situation there. He took strong objection to the lack of action. Someone might say he was prejudiced. Well, what did the premier of Newfoundland say? On June 25, 1955, when speaking at St. Andrews-by-the-Sea, he threatened—that is Premier Joseph Smallwood—to lead Newfoundland out of confederation unless the federal government stopped discriminating against the four Atlantic provinces, including his own. Even he could not stomach the failure of the government to act. He said this:

> Before we become second class citizens of Canada we will show the other maritime provinces how to get out of confederation.

This is very much like what is being said today about the union jack, sir; a second flag for Canada, which is what Mr. Smallwood demanded. Then I should like to bring this to the attention of the non-political members sitting opposite:

> The federal government has made miserable proposals—

This was the government of Mr. St. Laurent.

> —of sharing the cost in surveys of the wealth of timber, hydro power and minerals. We have gone ahead on our own and since confederation have spent $23 million to help build new industries. If conferation was not to recognize the right of all Canadians to some equality in living standards and opportunity, Newfoundland and the maritimes might as well be declared game preserves for the holidays of Canadians from more prosperous provinces.

I am sure the Minister of Justice has not heard that before. It is an amazing revelation from a sycophant of Liberalism. That was the position. Furthermore he said—and you understand, Mr. Chairman, I dislike placing these words on the record but I have to do it in order to establish the position of affairs when we came into office:

> I am ashamed and angry to say it, but the altogether stupid, bungling, inadequate effort of great Canada to assist the Atlantic fishing industry, (which is potentially almost as valuable in dollars and cents and much more valuable in numbers of families that can be supported than the oil industry of Alberta) is a reproach to a great and progressive country.

I could go on and quote further statements on his part, but I am simply pointing out the generalizations in a statement from a completely unprejudiced source so far as the Liberal party was concerned, as to the serious state of Canadian confederation when we assumed office.

We acted immediately. There was an agreement in effect, beginning April 1, 1957 which would have continued for a period of five years. It had been signed and agreed to by all the provinces. We said it was unfair, that the 10 per cent share of personal income tax that was made available to the provinces was insufficient, and we brought in legislation to increase that share from 10 per cent to 13 per cent.

We gave proof of recognition of the financial problems resting on municipalities, by greatly increasing conditional and unconditional payments and abatements during our period of office, and I am going to refer to the record of the federal-provincial conference of 1963 in that connection. We maintained the equalization principle and made it more equitable. I recall so well that during the last election, and in 1962, the Liberal party said it would bring about equalization on the basis of the highest province. It is another of the promises made recklessly which it has failed to follow.

Here is what another author, now on the front bench of the Liberal government, had to say, and I refer to the Minister of Transport in the book entitled "The Liberal Party." At page 125 he says this:

> At the national Liberal convention of 1958 the party pledged itself to alter the basis of equalization payments so that the revenues of all provinces from income taxes and succession duties would be brought up to the level of the province having the highest per capita revenue. This principle was reaffirmed at the national Liberal rally in 1961. Actually the difference in equalization payments between taking the highest province and taking the top two provinces as a standard is not very great but it is felt that basing payments on the highest province is sounder in principle.

The Prime Minister also made a similar statement. Over and over again that was basic, but in the resolution now before us that principle is permanently put in cold storage and completely evaded.

The equalization plan set out in this resolution is unfair to provinces with above average resources. That matter will be dealt with by other hon. members. We made it possible for the provinces to impose their own income tax with the federal government collecting it without charge. We took into consideration fiscal needs of the Atlantic provinces and made provision for grants of $25 million per year, later increased to $35 million per year. We did these things in order to strengthen the basic principles of confederation, to assure the maintenance of the federal system, and the independence of provincial governments.

I am now going to refer to the results of that action on our part. I am going to refer to the changes that took place and the tremendous degree to which we added to the

financial resources of the provinces in so many fields. I reiterate what I have said before, that if we had not increased the share of the provinces—if we had carried out the agreement of 1957, beginning on April 1 that year, as prepared by the previous Liberal government and accepted by the provinces—we would never have had a deficit in any year we were in office. I want to emphasize that point. Apparently the Secretary of State for External Affairs has not read the record, otherwise the wry face he just exhibited would not have been occasioned by what I said. I suggest that he read appendix B of the federal-provincial conference of 1963 so that he will have the facts available.

I am going to ask leave of the committee to have placed on *Hansard* the official table so that the facts will be clearly shown relating to the summary of federal contributions to the provinces and certain payments to institutions from 1956-57 until 1962-63, because I am dealing with the period that we were in office. This is in appendix B, the official appendix to this document issued by the government of Canada; and in addition, the amounts that were paid in unconditional and conditional grants to all the provinces of Canada during the period I have mentioned, the period that we were in office and the year before. I am asking leave of the committee to place these on *Hansard.*

The Chairman: Does the right hon. Leader of the Opposition wish these figures to be in *Hansard* as part of his speech?

Mr. Diefenbaker: Just as an appendix.

The Chairman: My understanding is that it might be better if we obtained leave of the house with the Speaker in the chair at six o'clock. This is what is normally done and I think that is what the committee would want to do, so that at six o'clock we would agree that these figures would be included as an appendix to *Hansard.*

Mr. Gordon: I am sure all hon. members on this side would be perfectly happy to have these tables included, either as part of the right hon. gentleman's speech or as an appendix.

The Chairman: If that is agreed among all members I am sure there will be no difficulty.

[*Editor's note: For tables above referred to see appendix.*]

Mr. Diefenbaker: I am glad of that courtesy on the part of the Minister of Finance. It will, of course, be very beneficial in reducing the length of the observations I would have to make if it were necessary to read the record in this regard.

I should like to refer to some of these fields of endeavour in which we so greatly increased the amount of federal expenditure going to the provinces. I refer to the field of vocational training. We brought about a program of vocational and technical training whose cost in 1961-62 amounted to $35,921,000 and $206 million in 1962-63. We increased greatly the amount of assistance to highways for resource development. My hon. friend from Yukon and my hon. friend from Mackenzie will recall what was done in this connection. In the field of municipal winter works, which had not previously been in existence, we spent during the last year we were in office some $27.29 million.

To summarize the increase in the amounts we made available to the provinces, unconditional grants in 1956-57 totalled $552.653 million. In 1962-63 they amounted to $991.526 million. In order to be entirely fair I also intend to give the figures for 1958 and 1959, because some changes were made just before we came to office. The amount of such payments in unconditional grants in 1958-59 was $744.622 million. In other words, even accepting those figures as applicable to the government which I had the honour to lead, the increase during our period of office in this connection alone amounted to some $228 million.

Then in the field of conditional grants—agriculture, health, hospital insurance, welfare, fitness and amateur sport and so on—the amount paid to the provinces in 1957-58 was $144.844 million. In 1958-59 it was $248.356, and in the last year we were in office it was $842.348 million. In other words there was an increase of approximately $698 million. Add those together, and I say again, at no time would there have been a deficit but for these extra payments, one of which was in the field of hospital insurance. The previous government had placed the legislation on the statute books, but we had to finance it. That financing in 1962-63—which the previous government had nothing to worry about because all it did was to have the legislation passed—amounted to $336 million.

These are things which need to be clearly set out. When the Minister of Finance was writing his book, all this was simple. All you had to do was elect a Liberal government and all would be well financially in this nation, and deficits would be as dead as the dodo. There is no thought of that today. The

promises of 1962-63 have gone the way of milk for school children.

The statistics tell the story of what we did to achieve reasonable opportunity for the provinces. What about agricultural assistance? Assistance in this field when we came into office amounted to $938,000. It went up until in 1959-60 it amounted to $6,729,000. Then it went down to $5,174,000 in 1961-62 and to $3,279,000 in 1962-63. But there were tremendous expenditures in this connection during the intervening years in other fields such as P.F.A.A., P.F.R.A. and the like.

I believe this; that one of the major reasons behind the attitude of separatism of which one hears in this country is not a matter of political consideration but results from the failure of this government to act on behalf of eastern agriculture. Several hon. members have been pressing for action in this connection but nothing has been done to meet the problems of eastern agriculture. My hon. friend from Qu'Appelle, when he was minister of agriculture, brought about legislation to set up ARDA. I will be perfectly frank. When the plan was first placed before some of us we wondered how it could be made effective. He made it effective. This government has not acted. This government has failed to use ARDA in the provinces of Ontario and Quebec in areas where productivity is not sufficient for a fair and proper return to farmers there. And when I read the other day that 10,000 or 18,000 farmers in the province of Quebec—

An hon. Member: Sixteen thousand.

Mr. Diefenbaker: All right; call it the medium figure. Whatever the number was, that many farmers could not be wrong. There is reason in what they are advocating. My hon. friend from St. Hyacinthe-Bagot has dealt with this question over and over again and placed the needs of his province before the house and the country, as has the hon. member for Nicolet-Yamaska and, of course, my hon. friend from Joliette-L'Assomption-Montcalm, who has never been backward in the manner in which he has pressed for action with regard to the needs of agriculture in his area.

If this government would raise the standard of eastern agriculture, for which it must assume responsibility, and follow courses similar to those which raised the standards in western Canada, a great change might be accomplished. When we came to office, as far as western Canada was concerned it was just another of those forgotten areas and the reason was simply this; that the Liberal party had reached the conclusion that the west would vote Liberal no matter how they were treated here. Hon. members opposite have the same view about some other parts of Canada today. One of the things needed to strengthen confederation and bring about new confidence is action under ARDA and in other areas of agriculture to which reference will be made by other speakers in this debate. I am convinced of that. Constitutional matters dominate the thinking of some people; whereas the people as a whole are affected by economic conditions. Certainly agriculture, not only in Quebec and Ontario but also in the maritimes, needs a new approach and far more consideration than it has been receiving during the last 15 months.

What is the substance of the resolution introduced by the minister? I am afraid that it is simply more tinkering with the problem. The divisions of confederation, or the cracks in the structure—I do not believe they are great, but they are becoming more significant —cannot be repaired by papering them over. That is what is being done here. In other words the action perhaps effective for the moment in so far as the provinces are concerned, will not solve the major problem of confederation.

When we were in office we had a number of conferences. I will deal with them when we come to second reading. I have already pointed out that our plan was to strengthen confederation, to open our northern areas and resource areas outside the ordinary ambit of provincial opportunity or ability to develop. We made available $7½ million to each and every province for this purpose. We brought in programs of which I have already spoken; winter works, vocational training in order to strengthen and extend opportunities for individuals. We met the immediate problem by a tremendous increase in amounts available to the provinces— amounts that when read into the record must be regarded as eye-opening.

I am not going to review at this time in particular what we did, but I want to generalize to this extent. When we came into office the provincial governments received 10 per cent of the income tax, 9 per cent of corporation tax and 50 per cent of succession duties. We immediately raised the 9 per cent to 13 per cent. On January 1, 1960, we made available 1 per cent of the corporation tax to the province of Quebec in lieu

of university grants. In addition, on January 1, 1962, we increased the 13 per cent to 16 per cent for income tax, with an accelerating 1 per cent for every year.

When the present government came into office, with the agreements we had put into effect in 1963 the share of the provincial governments was 17 per cent; in 1964 it is 18 per cent. We made available hundreds of millions of dollars to the provinces which otherwise they would not have received. I am not going to say that we ever received regard or appreciation for this. The Minister of Finance will find out, that having been done, it will not be remembered. These are things that are forgotten. I am sure the hon. member for Burnaby-Coquitlam, with his many years of experience as premier of one of our provinces, will agree with me that you never get any thanks for what you did. It is as old as the days of Senator Clay. I am sure the Minister of Finance has read very thoroughly the history of that period from 1830 to 1850 in the United States, and those great debates of Webster, Clay and Calhoun. Clay once went to somebody and said, "I hope you are supporting me this time". This was back in 1832. He said, "I have fixed up your uncle with a post office, and I have made provision for your father with a pension". He was referring to a pension arising out of the war of 1812. The reply was, "Oh, yes; you did all this, Senator Clay. But what are you going to do now?" The question was, not what he had done but what he would do. The minister will find that out when he has had as much experience in public life as he had in private business.

Mr. Gordon: There isn't enough time left for me.

Mr. Diefenbaker: And, I hope, with great success in public life. These things will be accepted and within hours, or days, or months, human nature being what it is, the provinces will say, "But what are you going to do next? This is all very fine; we have these things now—but what are you going to do?" That brings me to the larger field as to what courses should be taken now. I have already pointed out that during our period of office we brought the provinces to a new plateau of fiscal capability to enable them the better to deal with their constitutional responsibilities. With the additional hundreds of millions of dollars we provided, they were able to embark on new and far reaching programs in education, highways and resource management.

[Mr. Diefenbaker.]

We did something more. We did away with the tax rental plan. So long as the tax rental plan was in effect, the provinces were in a subservient and subordinate position. In other words, we reversed the 20 years' centralization trend toward a unitary state in Canada. We freed the provinces from the strait-jacket to which they had been confined by years of centralization. We raised the revenues of all provinces to new heights. We brought into effect an evolutionary process, new programs and policies under joint responsibility heretofore incapable of being financed. Our purpose, our aim, our determination was to return to the principles and spirit of the British North America Act; to strengthen the fabric of confederation—above all, to assure that in co-operation with the provinces we would guarantee all Canadians, regardless of their postal address or regional economic differences, reasonable economic equality.

Dealing with this question in the house on September 27, 1961, I said:

> We are going to restore as far as it is possible the inherent principles of the constitution.

I had been pointing out that they had been departed from.

The then Minister of Transport as he is now, was in the house. Certainly when the King administration started to move in the direction of centralization, followed by the St. Laurent administration, no one ever expected that those pathways of experiment in wartime would become the highways of peace. But they did.

I was interrupted by the present Minister of Transport in these words:

> There were no deficits in our day.

No, there were not. There was no reason for deficits because the provinces were being starved. We increased social security payments by approximately 46 per cent during our period of office. We made vast developments in agriculture and industry. But I repeat if it had not been for our concern for confederation, there would have been no deficits.

Speaking on that occasion, September 27, 1961, I said that we had restored the inherent principles of the constitution, which was something we undertook to do. I said that we were ending centralization and putting in its place co-operation within the principles of the constitution. Hon. gentlemen opposite talk today about co-operative federalism. All I can say is that the translation of co-operative federalism into action has denied every basic principle of confederation. Co-operation

can only come through consultation; and in too many cases this government has consulted after making a decision to take a certain course regardless of the attitude of the provinces.

We determined to bring to Canada the capacity to amend our own constitution. So many people say today that the constitution has to be amended in regard to certain matters and this after 97 years of experience. But in those important portions of the constitution as embodied in the British North America Act, sections 91 and 92, changes cannot take place without the unanimous consent of each and every province. It is so easy to talk about it; but let us remember, Mr. Chairman, that rights of religion and education are inviolable and unchangeable. The division of responsibilities between the federal parliament and provincial legislatures cannot be changed by the simple exigencies of the government of Canada or by the action of one or more provinces.

I read so frequently of great speeches made outside the House of Commons about what is going to be done to bring about a new constitution. It is, if I may use a colloquialism, eyewash to say that the constitution which we have we will hold, but that the changes which we want will be made on the basis of the desires of one, two or three provinces. That cannot be done. These changes can only come into effect by general and unanimous agreement.

I realize, as did the minister in his statement the other day, how complex this matter is and how difficult is the problem of dominion-provincial relations. It was easy when in opposition for those who now sit opposite to make those statements. But they have found that it is difficult to pound out on the anvil of experience the theories so airily announced during the election campaigns.

Today I am looking at the whole picture of the kind of Canada which I see; not a picture of a series of sovereign states, but of one Canada maintaining the constitutional rights which are the essence of confederation; the equal partnership of those of English and French origin who brought about confederation within our country.

I do not see in that respect, a Canada far removed from the Canada of Cartier and Macdonald. Read the debates, Mr. Chairman, of 1864, 1865 and 1866. Those men faced a tremendous challenge and they met it in co-operation. They did not dream of a Canada bifurcated or multiplicated—if that word can be used—divided and uncertain. They envisaged a central government which could discharge its responsibilities. They thought of provincial legislatures which would be able to maintain within their limits and territorial boundaries the things dear to those areas and provinces.

Those who say that simply by wishing you can erase the past have not absorbed history. It is easy to say those things. In my boyhood in western Canada the farmers used to talk of separating western Canada from the rest. They said: "We should be removed. Our markets are north and south. We pay a tremendous price for the tariff policy of the country as a whole". Those voices were stilled by the calmness of the leaders of that time. I recall very well an occasion in 1957 when I spoke in one of the maritime provinces at a large meeting. I was dealing with conditions existing at the time and I received a very friendly reception. But I was followed by a former premier of Prince Edward Island, Dr. MacMillan. He thanked me, but his thanks extended into maritime rights, and by the time he was through that audience was ready to fight, so aroused they were by the injustices of confederation. Leaders in the maritimes have taken strong stands, but they have always come back to one thing, that we stand together as one nation, one Canada. If we start breaking up the country into segments we destroy not only the hopes of the fathers of confederation, but our hope that we will be able to hand on to those that follow a Canada worthy of the heritage which is ours.

What are some of the things that can be done in this connection? The time has come to convene a conference of representatives of the federal and provincial governments of this nation representing the various parties in all of the provinces, to examine the whole field of Canadian confederation—not a conference lasting two days, but a conference in which, in a spirit of Canadian co-operation and pride, they will meet together and endeavour through discussion and consultation to arrive at decisions regarding the future of this nation. Can it be done? If it cannot be done, then the hopes of amendments of an important nature to our constitution have ceased to exist.

Sir John A. Macdonald, who having regard to the contribution he made to confederation has not been remembered as he should be as the father of his country, a designation given him by no less a great Canadian leader than Sir Wilfrid Laurier, said during the last years of his life:

I have no accord with the desire expressed in some quarters that by any mode whatever there

should be an attempt made to oppress one language or to render it inferior to the other. I believe it would be impossible if it were tried and it would be foolish and wicked if it were possible.

That has been the stand of Conservative leaders through succeeding generations, and Liberal leaders too. The agreements relating to this partnership, found in section 133 of the British North America Act, and sections 91 and 92, to which I have already referred, jurisdiction over education, are the very bedrock of confederation.

Such a conference will be able to do what no royal commission can do. A royal commission can sit, hear and ultimately recommend but finally the matter must come to the representatives of the federal parliament and the provincial legislatures.

We sought to repatriate the constitution when we were in office. We had a number of conferences and we had almost achieved success when two provinces had reservations with regard to certain sections, and we did not achieve repatriation. The issue was not the basis of amendments to the constitution but simply to bring the constitution to Canada.

I hear people talking about the symbols of a nation. How many of them realize that we are the only country in the British family of nations or the commonwealth of today that cannot amend its own constitution? We tried to do so. We went a long way in that direction in a desire to conciliate without loss of principle, but without success in achieving repatriation. Such a conference could suggest ways and means of repatriating the constitution. It could also make recommendations as to a national flag and the other symbols of national sovereignty. There would be representatives there of all the political parties and they would not meet in the glare of publicity. As the hon. member for Burnaby-Coquitlam knows, whenever we were behind closed doors in dominion-provincial conferences we made a great deal more progress than when we were under the glare of publicity. That is human nature. We went to work there. Let this conference meet in that way. Can you tell me any other way in which success can be achieved?

I have studied this question. There is no portion of the constitutional debates since 1762 that I have not read. What has Canada achieved? The Minister of Justice knows. It was the first country within what is the commonwealth of today to have freedom of religion, not by our own action but by the action of the British parliament. It was the first one to give a Jewish person the opportunity to serve as a result of legislation passed in Lower Canada. Canada was the first country in what is now the commonwealth to bring about responsible government which made possible the commonwealth of today. The Lafontaines and the Baldwins, these men saw Canada as a great nation, one nation. Cartier said it over and over again. He said, "I can accept no other proposition", while demanding, as did Laurier many times, that there should be full partnership.

Sir, this conference would examine the whole position of biculturalism and bilingualism. I have endeavoured to think of what other course could be taken that would bring Canadians together. I do not know what it is. I do not want to see us separated and divided. Why can we not, in the spirit of the fathers of confederation, meet in such a conference?

I recall the 26th of February, 1963, when I received the honour of the freedom of the city of London in that historic place, the Guildhall, an honour that I deeply appreciated. Only a few days before I went over there I found for the first time that the Constitutional Act, which was an amendment of the Quebec Act, was introduced on that very day in 1792. There was history, there was tradition, there was something of the pride of achievement. To my left was the great monument of William Pitt, the younger. On that day, the 26th of February, 1792, in the parliament of the United Kingdom a debate took place regarding French-English relations in the Canada of that time. Read that debate. It is the most thrilling debate you can read. William Pitt, the younger, Charles James Fox, Edmund Burke and Sheridan, too, said, we are going to build in North America a country where two races will live side by side in amity and co-operation. It is very interesting when one looks back in this way. You recall other things. You recall the famous quarrel between Burke and Fox which took place on that occasion. They were great friends, but they never spoke again. It was all over the question of whether the legislative council of Upper and Lower Canada should be hereditary, as a peerage. Two of them said, let us have a peerage in Canada; let us not just appoint members of the legislative council for life; let us have a peerage. I think it was Fox who said if we had had a peerage in the 13 colonies in 1776, those 13 colonies would still be with us. Burke took the opposite stand. They separated. Read that debate;

it is one of the most thrilling expositions of the relationships between races.

Sir, the whole field of federal-provincial relations should be looked into on a long term basis. The provinces must be placed in a position where they can fully discharge their responsibilities. If you simply hand a little more from time to time to the provinces, all you are doing is postponing the day when more is requested. Human nature is the same for groups as for individuals. If we get so much today, then we say we will try to get a little more tomorrow, so on you go with the problem and it is never solved. As more and more revenues are passed to the provinces—unless responsibilities are being passed on—the more serious becomes the situation for the federal authority. This is the reason why many believe there should be a constitutional realignment of responsibilities.

Now, that is one field. I should like to refer to another field which arises directly out of provincial jurisdiction, and that is the field of urban improvement. The municipalities are the creatures of the provincial legislatures and are responsible to them for their existence and fiscal powers. With the extent to which more and more Canadians are moving into the great cities, with the vast changes, the splurge as it were in the suburban areas, is it not appropriate that such a conference should give consideration, in co-operation, to providing for a national policy for urban development and renewal? A co-ordinated policy is beyond the means of the urban areas and, beyond the means of the provinces. Urban renewal is a national problem today. It is a national problem, just as it was in the days when the forebears of the Minister of Trade and Commerce went into western Canada. The opening of western Canada was a national problem. It has changed now. Today they find themselves in a position where the days of the pioneer are past. Today, in so far as the urban areas of our country are concerned, we as a nation need to do some constitutional pioneering. It will require agreement, it will require consultation between federal and provincial authorities. However it is something that will have to be met. This sprawling urban and suburban complex that has developed in all parts of our country, as in the United States, is one of the greatest problems we face.

There are many members here who have had municipal experience. They know how tremendous is the challenge of this problem. This is another matter to which consideration should be given by such a conference. I say to the Minister of Finance—I know he has that diffidence that a minister of finance must possess in not allowing any of us to anticipate any fiscal changes in advance—that one of the first steps that should be taken in our country in that connection, aside from this conference, is that young couples should be encouraged to own their own homes and that effective consideration must be given to allowing deductible items from taxable income. I am referring in particular to municipal taxes on homes. These are things that will benefit national development in our cities.

There should be set up a department of urban affairs to co-ordinate the various activities of Central Mortgage and Housing Corporation and other agencies dealing with urban aspects, such as housing, sewage loans and the financing of industrial development. It has been done in the United Kingdom. There of course there is a unitary state. We must here act in co-operation and consultation. What about urban decay, responsible in a large measure for juvenile delinquency, parks and recreation areas, the social improvements that are necessary for this nation, rapid transit systems to relieve traffic congestion, the throughways that are essential to the conduct of commercial affairs? I could go on. After all, we are approaching the centennial of confederation, and this is a massive problem. This is one that will require a concerted approach on a nation-wide scale with federal-provincial co-operation following full consultation.

Finally, sir, I return to agriculture in eastern Canada. If we are to meet the demands, the proper demands of the people, many of the criticisms and attitudes which would lead to separatism will be avoided by action in assuring that farmers in eastern Canada, the maritimes and elsewhere shall have a reasonable share of the national income.

Mr. Douglas: Mr. Chairman, this legislation to amend the federal-provincial tax sharing arrangements is extremely important. It is important because fiscal matters are at the root of much of the federal-provincial bickering and rancour that has taken place from time to time ever since confederation.

Sometimes it is suggested that federal and provincial governments do not get along because they happen to be of different political parties and because there are personalities involved, but if one examines the record he finds this is not true, that irrespective of

the political party in office at a particular time, in a province or in Ottawa, these differences continue to exist because they are based on the need for money on the part of the provinces.

I think it was Chick Sales who once said that when a fellow says it isn't the money, it's the principle of the thing—it's the money. That has been true with federal-provincial relations. Many of the difficulties that are put forth are really superficial, and the basic differences are fiscal. The fact is that the provinces are faced with growing responsibilities. The responsibilities given to them under the British North America Act have grown in geometric progression throughout the years and the revenues available to the provinces to discharge those responsibilities have not grown proportionately.

We have come to the time in confederation when the federal government must either assume some of those responsibilities or it must make a larger share of the tax revenues available to the provinces so that they can do the job which has constitutionally been allocated to them. I want to point out that even with all the additional revenue which the federal government has made available to the provinces, that even with the legislation which is now before us put into effect, the provinces will still get only about 30 per cent of the revenue from the shared tax fields and the federal government will get 70 per cent. This still leaves the provinces with a relatively small share of this vast tax revenue that is available to finance government services in Canada.

I suggest, Mr. Chairman, that this is Canada's No. 1 problem. The right hon. Leader of the Opposition has made a useful suggestion in putting forth the idea of a federal-provincial conference, one which would be held for a considerable period of time and on which there would be a great deal of preliminary work, so that we can work out some division of fields of tax revenue or reallocation of responsibilities, so that we do not have this constant haggling between the federal and provincial governments.

If we neglect this matter the strain and the stress on confederation will continue and could eventually destroy confederation. If I may paraphrase Santayana, he said something like this, that those who are unwilling to learn the lessons of history are condemned to repeat its mistakes. Unless we in this parliament are prepared to see the trend in federal-provincial relations and try to grapple with the problem head on, then I am convinced that some very difficult days lie ahead for confederation.

[Mr. Douglas.]

I have a very limited time, Mr. Chairman, and therefore I am going to apply myself only to the proposed amendments arising out of the two federal-provincial conferences, the one held in November 1963 and the one held in April of this year. Let me deal first with the proposals arising out of the November conference. They can be divided mainly into three parts.

First of all, the federal government is prepared to equalize the revenue from the standard tax rates up to the average of the two top provinces. I hasten at once to say that this is an improvement over what we have had before, when the equalization formula only brought the provinces up to the national average. Certainly the average of the top two is better than the national average, but I cannot forbear pointing out that this is not what the Liberal party promised just about 15 months ago. What it promised was that it would equalize up to the highest province in Canada.

I could give many quotations. Already the Leader of the Opposition has quoted from the book, "The Liberal Party", by the Minister of Transport, in which he said:

> At the national Liberal convention of 1958, the party pledged itself to alter the basis of equalization payments so that the revenues of all provinces from income taxes and succession duties would be brought up to the level of the province having the highest per capita revenue.

I point out that the booklet called, "The Liberals Have the Answer"—they may have the answer but it is a little slow in coming through—stated:

> The Liberal party...believes that, in order to ensure a basic equality of provincial services between all parts of Canada, all provinces should receive an equal revenue per head of population from the tax fields shared between the two levels of government so that all Canadian citizens will benefit equally.

I remind the committee that the Prime Minister himself, opening the conference last November, said in his statement, at page 14:

> It is well known that my colleagues and I prefer to see equalization paid up to the level, not of the average of all the provinces as parliament enacted in 1961, but up to the level of the highest.

That is quite specific.

Why would the government equalize to the two top provinces? I say quite categorically that this was a matter of cooking a formula to get the kind of results it wanted rather than adopting the formula to which it had committed itself, a formula that would have treated all the provinces equally and justly.

The second change which this legislation is proposing is that from now on part of the

revenue from natural resources will be taken into account in computing equalization payments. It is to be based on one half of the amount by which natural resource revenue on a per capita basis exceeds the national average. Again this is not in keeping with the commitments made by the Liberal party when it was seeking office.

I can refer to many quotations but I just refer to the Prime Minister's own statement in this house on June 2, 1958, as recorded at page 733 of *Hansard* for the date:

> Not only is the principle important, but the application of that principle is even more important. On what basis are equalization payments going to be made?
>
> As far as this party is concerned we are pledged to equalization on the basis of the per capita yield of the three taxes in the wealthiest province.

There is nothing there about taking into consideration natural resources revenue. I wish to ask the government, why is this particular source of revenue taken into account when computing equalization payments. Why is this chosen as a criterion? There is no suggestion that gasoline tax revenue or revenue from automobile licences or sales tax or liquor revenues should be included. Why select this one field? Again, this was the best way to cook the books in order to get the result the government wanted. What they are doing thereby is to penalize those provinces which are making the maximum use of their resources and seeking to get the maximum revenue from them.

Resource revenue, I would point out, does not represent clear gain. The provinces which derive revenue from their resources have to spend large sums of money on the development and conservation of those resources. If this is to be taken into consideration, then the revenue considered ought to be net revenue, if it is considered at all.

In addition, as one hon. member has just pointed out, what is involved is the sale of a capital asset—the sale of something which is not necessarily recurring. Moreover, the present formula bestows a great benefit on those provinces which have already sold their capital assets and disposed of their resources. The provinces adversely affected by this legislation are provinces such as Alberta, Saskatchewan and British Columbia. The older provinces which have disposed of their assets in many cases, are those who will benefit. Just make a comparison. The revenue on a per capita basis from natural resources in Ontario is $6.91. In Saskatchewan it is $22.57 and in British Columbia it is $33.72. Does any person in his right mind contend that in the province of Ontario with its vast mining complex and its great timber industry, $6.91 per capita represents the economic value of the natural resources? Of course it does not. Putting natural resource revenue into the formula for computing equalization payments is discriminating against the more recently developed provinces and is working hardship upon them.

The interesting thing is this. When we come to the third amendment, the government turns a complete somersault. The third proposal is that the abatement for succession duties will be raised from 50 per cent to 75 per cent. That is fine, I agree with that. But the government says that this increased abatement will not be considered for equalization purposes. The first 50 per cent is to be taken into account for equalization purposes, but not the additional 25 per cent. Will the minister tell this committee why natural resource revenue will be taken into consideration in computing equalization payments but succession duty revenue will not be taken into consideration. As a matter of fact there is more reason to take into account succession duty revenue which, although it is paid in a province, is levied in many cases on wealth which has been earned all over Canada, whereas revenue which comes from natural resources comes as a result of the investment and the efforts of the province itself. If the federal government wants to include natural resources in computing equalization payments they should certainly have included the increased succession duty abatement.

In my opinion if ever there was a case of cooking a formula so as to get a specific result, this is it. Instead of starting out, as their own program dictated, to work out a formula which would be fair to all the provinces on some reasonable basis, the federal government, far from equalizing to the highest province, has equalized to the two top provinces, then goes on to bring in an entirely extraneous factor—the revenue from resource development—and then, to make doubly sure that they get the result they want, say the additional 25 per cent abatement on succession duty will not be taken into consideration when computing equalization. I have attended a good many federal-provincial conferences and I have seen some of the fiscal experts set up a goal and then work out a formula which would get them what they sought. But I have never seen it done so clumsily and so blatantly as in this case. This represents in my opinion sheer discrimination.

I see it is five o'clock.

The Chairman: It being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business.

Mr. Deputy Speaker: It being five o'clock the house will now proceed to the consideration of private members' bills as listed on today's order paper, namely notices of motions for papers, private bills and public bills.

BANKING AND COMMERCE

FIFTH AND SIXTH REPORTS OF STANDING COMMITTEE

Mr. L. T. Pennell (Parliamentary Secretary to Minister of Finance): I wonder if I might have the unanimous consent of the house to revert to routine proceedings in order to file two innocuous reports from the banking and commerce committee relating to a change of names?

Mr. Deputy Speaker: Is that agreeable?

Some hon. Members: Agreed.

Mr. Pennell: Then I have the honour to present the fifth and sixth reports of the standing committee on banking and commerce, in English and French.

MOTIONS FOR PAPERS

SECURITY PROCEDURES AND INVESTIGATIONS

The house resumed from Thursday, July 2, consideration of the motion (Mr. Orlikow):

That an order of the house do issue for a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations.

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): At the conclusion of the debate last week I made some reference to the defence of Canada regulations and particularly to the suggestion made by certain hon. members opposite that the procedure which should be followed in these security matters should resemble the procedure outlined in those regulations.

I thought it would be useful to investigate that suggestion further and having done so, and particularly having talked to one of the gentlemen responsible for enforcing these regulations, I find that contrary to what has been suggested time again in this house the procedure followed under those regulations was not a judicial procedure. It was essentially the same as the Prime Minister put forward in his speech of October 25. It was a procedure set up entirely within the administration. Hon.

members can confirm this themselves by examining the regulations. The advisory committees set up in those circumstances were set up solely for the purpose of advising the minister with respect to internment proceedings. They were not a court of record. There was no right of appeal. The proceedings were not within reach of the prerogative writs. In particular, there was no right to confront crown witnesses, and only such evidence was made available as the committee in its discretion thought desirable.

In particular I would like to emphasize that there was no right, as I think has been suggested from time to time, on behalf of people who might be affected by that type of order, to confront witnesses or examine evidence presented on behalf of the crown. Quite the contrary: the only right individuals had in that particular case was to learn of the allegations made against them on behalf of the crown in the most general terms.

The hon. member for Winnipeg North last week took exception to my suggestion that he had proposed the confrontation of witnesses in this proceeding. I find, on examining the record, that I was mistaken and his intervention was quite correct. Rather, the suggestion that witnesses should be confronted, that it should be possible for a person affected by this tribunal to examine those witnesses in a proceeding resembling a court of law, was made by his leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas) and more particularly in a speech he made in this house on June 3, 1963, which may be found at page 593 of *Hansard* for that date.

I would point out, as has been pointed out before with regard to this type of case, that in view of the counter-espionage type of structure, the security structure, which is involved, it would be most deleterious and would have a very serious effect on the security measures which are taken on behalf of all the people of Canada to submit the investigations and reports of the security officials to a legal type cross-examination.

I think it would be most useful to reemphasize to the house, in connection with this question, the basic function of the security screening in this particular type of case. I would remind the house, first, that the interests of Canadians generally require that certain state secrets be shielded from unfriendly eyes. Unhappily we had an incident in recent months which came very close to this chamber, indicating that representatives of foreign powers continue to

engage in operations to obtain access to Canadian state secrets. Second, Mr. Speaker, I would point out that the best and surest shield for our state secrets is by entrusting them to servants of unimpeachable loyalty, servants who are free from any pressures either of family, personal background or ideology which could possibly result from time to time in a conflict with such loyalty. Particularly I would point out and would ask the house to bear in mind that the determination of this question as to the loyalty or non-loyalty, the reliability or non-reliability of any particular servant is a very difficult matter. This is not only so from the very essence of the subject matter, but also from the fact that those who with unfriendly design are seeking access to our secrets will take elaborate precautions to conceal their intent; and even more so, those people who may have personal weaknesses but are otherwise loyal—weaknesses which make them particularly subject to exploitation by the unscrupulous—will take very careful precautions to conceal those weaknesses. We must bear in mind that secrets are one species of state property of a particularly sensitive nature. By their very nature, their exposure to the public spoils them. They are not like the stone of Scone or the crown jewels which, if stolen, can be recovered and restored undamaged. Once they are made available to the public, once they are made available to unfriendly eyes, their very distinctive characteristic of property is lost. They are at once so precious and so sensitive a form of state property that we have had to adopt, and in fact all civilized democratic countries have had to adopt, very special measures in respect of their defence.

In particular, in respect of measures required to protect security we have had to abandon, at least in part, some of the concepts of fair procedure and open trial which we normally use in our legal proceedings. One of the great experts on jurisprudence has pointed out that the three watchwords of justice and the rule of law in a democratic state are openness, fairness and impartiality. As I have mentioned, by the very nature of the material, openness or exposure to publicity is one thing that is not possible in security questions. I have also pointed out that impartiality in this case is somewhat difficult, because who can be impartial with the security of the country at stake? It is obviously necessary for an onus to lie in favour of the crown with regard to those who would have access to its secrets. But I do think we can continue to require the observation of principles of fairness in connection with these security provisions, and I think these principles of fairness can aptly be given effect to and carried out under the procedure proposed by the Prime Minister on October 25.

In closing, Mr. Speaker, I would like to set out in point form the procedure which will be followed and which has been followed in connection with these security procedures since the Prime Minister's announcement last fall. First, where an employee is in the situation that his reliability has been put in doubt, he has the right to be told that his reliability is subject to doubt and he has the right to learn, so far as it is possible from a security standpoint, the reasons for such doubt. Second, he will have the opportunity to give his side of the particular case, to frame his own case, in respect of the allegations which are made against him. Third, he will be entitled to a second hearing by the head of the agency which is responsbile for his work, and if the decision remains unfavourable, the case will be submitted to a board of review made up of senior civil servants who have not been previously directly involved in the particular case.

The protection of state security is, as I have said, a matter of critical importance. One cannot assure people who may be adversely affected by security screening procedures that they will work in every instance, because after all, being of human creation these procedures are necessarily fallible. It is my submission to the house that the measures proposed by this government to the house do apply a high degree of fairness. It is for this reason, and because of the confidential nature of the document involved, that I would request the hon. member for Winnipeg North, or his colleagues on his behalf, to withdraw his request for the exposure of this particular document.

Mr. Douglas: Mr. Speaker, could I ask the hon. member a question before he sits down? Could he elaborate a little more this appeal to the board made up of senior civil servants? Does the person whose reliability is in doubt have the opportunity to appear personally, with counsel; or do they merely review the written documents having to do with the case?

Mr. Macdonald: This has been more eloquently stated by the Prime Minister, Mr. Speaker; but I would point out to the hon. member that he will have the right to appear before this particular board and put his best case forward. It is also my understanding

that he will have the benefit of counsel in defending himself in what is essentially not a legal proceeding but one in which considerations of a legal character may arise.

Mr. Douglas: The hon. member said "he will have". Do I assume that he has now, under this directive?

Mr. Macdonald: Yes, Mr. Speaker, I think the hon. member can take it that I am speaking not only of the future, but of the present and what dates back to October 25, in what I have said.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I do not suppose anybody in this house could disagree with the general observations of the parliamentary secretary who has just spoken with regard to the importance of security or, indeed, the desirability of the safeguards for the individual which he says are incorporated in the procedure. But it is my respectful submission to the house that these observations entirely miss the point that is before the house in this motion, which is whether or not the government will disclose to the members of the house the form of procedure which has been decided upon by the government as the security procedure which is to affect those many thousands of people whose whole livelihood and security may be at stake in this important matter.

I urge upon all members of the house, although not too many of them are here at the moment, the acceptance of this particular motion, because I suggest a basic principle is involved which has been overlooked in what we have heard to date. I would put this basic principle in this way: Is the right of parliament to scrutinize the nature of the security procedures affecting the employment and the firing of thousands of government employees to be defeated by hocus-pocus or gobbledygook about the need to keep secret even the procedure by which an aggrieved employee can vindicate his right to his livelihood, and to his reputation, upon which his livelihood depends?

Let me remind the house of the background to this matter. Last year after a number of very disturbing incidents resulting in the dismissal of some persons from the services and other persons employed in the public service on security grounds—which grounds turned out to be completely unfounded—the Prime Minister (Mr. Pearson) gave an assurance that new security procedures were being devised which would give an employee or a prospective employee the opportunity of resolving any doubt as to his or her being a security risk, and second, would enable a second look to be taken by what might be described as an internal tribunal. The minister of justice of that day, Hon. Lionel Chevrier, assured the house that the "new and carefully devised procedures will improve our measures and give new assurance to individual employees". Note, Mr. Speaker, the words "assurance to individual employees".

In the debate last Thursday two facts emerged. First of all, it was stated that the proposed new procedures have been incorporated in a single directive; so that we have an existing document which incorporates these so-called new procedures, which give an assurance to the employees concerned and also to the members of this house. Second, that the terms of this document—and this is on the record in a formal answer given to the hon. member for Winnipeg North (Mr. Orlikow)—have been communicated to all government departments.

The return given went on to say that the government does not regard it as customary to inform employees or their associations of its terms, or to table a document of this type in the house. In other words, Mr. Speaker, after giving an assurance to parliament that the government will take steps to correct inadequate security procedures, it then refuses to give to the house the steps which it has taken. It proffers assurances to employees and then refuses to tell the employees what are the assurances.

What is the good, Mr. Speaker, of telling us that there are adequate procedures if we are not to see them written down in black and white, and if the house is to be denied knowledge of them? I go so far as to say that this is a ridiculous situation and a serious affront to parliament. Are we not to be entrusted even with a statement on the principles upon which those affected in these so-called security cases are to have their rights determined, to whom they are to apply, and what the nature of the procedure, or the appeal if it be an appeal, may happen to be? If that is the case I suggest, as I said before, that it is an affront to parliament.

The Minister of Justice (Mr. Favreau) asks us to draw a veil of secrecy over the whole matter. Like some high priest of the modern age he mumbles the word "security" and we are then supposed to be satisfied. There is no one in the house, Mr. Speaker, who is asking that the means by which this security information is gathered be publicly revealed. However, there are some things I should like

to know. For instance, I would be interested in knowing the type of questionnaire used to pry into the private lives of would-be employees of the government. I would be interested in knowing whether electronic or so-called "bugging" devices or wire tapping is used in this regard. In the United States a special government information subcommittee of the committee on government operations is inquiring into this very matter of which I have been speaking, to determine whether the right means are used. But is this parliament to be more security conscious even than the congress of the United States of America? My point, Mr. Speaker, once more, is that we are not inquiring as to the means by which information is secured.

Mr. Macdonald: Mr. Speaker, would the hon. member permit a question at this point, because it may be somewhat germane to his case. The Minister of Justice indicated in his statement last week that the particular document which this motion asks for contains material which, in itself, would be prejudicial to this particular means of gaining information. The hon. member is saying, on the one hand, that he does not want to expose this means, but on the other hand he is insisting on having the document. Does he not think that that is a reasonable explanation for its non-disclosure? I would ask him that question, Mr. Speaker.

Mr. Brewin: Surely, Mr. Speaker, in setting out the rights of employees to a hearing, the type of hearing they may have and the type of particulars to be given, this sort of document is the sort which I assume the Prime Minister was talking about when he gave assurances to the house that this new procedure would be developed and would be embodied in some form of directive, if not regulation. We are told that there is a directive. I do not know whether incorporated in this directive for some reason unknown to me is some mysterious disclosure as to the source of the information which should not be made available. That may be so. If it is so, a very simple solution suggests itself, and that is that a proper directive be prepared and made available to the members of this house. If the Minister of Justice or the parliamentary secretary had said: "In our directive incorporated in certain procedural rules which deal with these matters there is unfortunately highly confidential information which should be made known only to heads of government departments", that is one thing. But no; we are told that the whole procedure has been set out in a single directive, that it is available to all government departments, but is to be denied to parliament. The information cannot be so terribly confidential or secret, or surely it would not be made available as a departmental document to various persons in the departments.

If the parliamentary secretary can say that there is or there will be a suitable document prepared setting out the rules which affect those who are dismissed, or those who seek employment but are denied it on security grounds, and such promise were made, I am sure the hon. member for Winnipeg North would be happy to hear it and I think this motion might well be withdrawn. But no such suggestion has been made and we are pressing this matter.

I said that we are not seeking the source of the security information, nor are we asking for the disclosure of the evidence upon which decisions are made. All we are asking is that the written rules of procedure enacted for the protection of employees or those who would be employees be disclosed to the house and to those whom they affect. How do we know otherwise that the rules are adequate or fair, or that they take account of the rights of individuals? How can we as individual members of parliament advise those who are concerned with these matters? I have always been under the impression that one of the basic duties of a member of parliament, indeed of parliament itself, was to protect the rights of individuals against injustice. How can we carry out this vital task if we are not to know even the procedural rules under which bureaucracy is working its will in regard to these people?

The government calls itself a Liberal government. Perhaps I have had a misunderstanding of the meaning of the word "liberal". I thought the word "liberal" connoted a concern with the rights of the individual, but perhaps we will be told, as in the cases of immigrants, that they have no rights. Immigrants are daily subjected to farcical hearings where they are not informed of the objections to their entry, and we are told they are without rights. I wonder whether that argument will be applied here. Is it to be said of the 205,000 civil servants, the 121,000 or more people employed in government corporations, the 123,000 or more people in the armed services, that once the word "security" is mentioned their livelihood, their reputations, can be blasted and they are not told anything about it or even the procedure by which they can have the allegation checked?

In my view there is nothing more serious than that a person's reputation and his livelihood can be dealt with by these secret procedures, of which we are not to know the details. I would have thought that a Liberal government worthy of the name would disregard the sort of timorous hocus-pocus we hear from time to time that tells us that parliament itself is to be denied information as to procedures which affect the livelihood and reputation of a tremendously large group of civil servants and other Canadians.

In the United States, which is not known for being unduly tender to people when security is concerned, they have a directive in this regard. The number of it escapes me at the moment although I have it somewhere. It is a specific directive dealing with this matter. Does anybody think that in the British House of Commons the government can get away with saying: We have devised some security procedures but we are not going to tell you what they are; we are not going to put them in writing for you. We will make some general statements and you must satisfy yourselves with that. I do not believe a government would last very long in that country if it adopted that sort of attitude.

I appeal to the government to change its mind. They will have time to do so because I imagine that this debate will not conclude today. I sincerely hope that if the government does not change its mind and make available to the house at least in outline form the security procedures which it says it has devised, including the new ones which it says fill the gaps that existed before, parliament will show enough self-respect to compel the government to do so.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I will not have too much to say. I had thought I would be in another room. I was about to say "in another place" but probably those are not the right words to use today. So the pearls of wisdom which I propose to cast before the members of the government will not be as lengthy as they would have been otherwise, or as the government feared they might have been.

After listening to the tail end of the argument made by the parliamentary secretary and after reading what took place in the debate on July 2, I am reminded that the government's attitude in this matter is reminiscent of a Roman emperor, not the one who fiddled, although that allusion might well apply too in some respects, but the Roman emperor who, being compelled by custom and by law to make his laws public, saw that they were printed upon stone tablets but then had the tablets set up so high that nobody could read them. I think that pretty well exemplifies the attitude of the government in this connection.

If I may go back to the initiation of this debate by the hon. member for Winnipeg North (Mr. Orlikow), as found on page 4954 of *Hansard* he quotes what the Prime Minister said on October 25 when this matter was first discussed. I am not going to quarrel so much with the refusal of the government to disclose all of the facts which are related in the first paragraph of the quotation, although some fault can be found with their failure to disclose at least a part of them. However, the second paragraph deals with the rules of what is in effect, I submit, an appeal and I take exception to what is set out there.

True enough, the Minister of Justice (Mr. Favreau) indicated that this was an administrative matter. Certainly so far as security directives are concerned the government has a very grave responsibility and I would be the first one to deny that they must be compelled to produce all of the directives they issue with regard to the question of security. But once it becomes apparent that an individual employee may be subject to dismissal in so far as his status and job are concerned, a very important aspect of his life, and the matter then becomes the subject of scrutiny by a board, my submission is that even though the board may be an administrative board this is in effect a quasi-judicial proceeding. The administrative aspect is dissolved into a judicial consideration. This is a review, an appeal, and when there is a discretion to be exercised it must and should be exercised in a judicial way.

This has been said over and over again not only in the courts but by political philosophers. A discretionary right exercised by a review board with respect to any matter affecting the government should be exercised in a judicial way. How can it be exercised in a judicial way if the person who is the subject of the inquiry is not made aware of the procedures which will be adopted, the basis of the charge against him and provided with an adequate opportunity to meet that charge and to present his side of the story? With great deference to the views expressed by the Minister of Justice and his parliamentary secretary, I submit with respect to at least the second part of the proposed new procedures outlined by the Prime Minister

that the government has no real justification in refusing to disclose the detail of these directives.

Having said that, I would point out that there are ways by which this house could be put in a position to consider the matter. It is a very important matter and it might well be that it could be submitted to a committee in camera. The hon. member for Greenwood (Mr. Brewin) said this might involve hundreds, possibly thousands of people before this procedure faded into something completely different. Why not let the matter be discussed in a committee in camera so the government might have the benefit of the views and suggestions of hon. members in this house who, having been invested with the confidence of the people of this country, should have an opportunity in this way of communicating their suggestions to the government.

I am sure that the members of the government would be the last ones to suggest that they had reached perfection in a matter of this kind. This is a very small, timorous step in a direction in which they should have taken brave and bold action many years before. Having in mind the fact that there will be advances, I think, there will be changes and improvements, I would think it would be the part of wisdom for a government to discuss the matter perhaps in a standing committee or a special committee established for the purpose at an in camera sitting.

I suggest that, as a first step, the government might give serious consideration to placing before such a committee all the relevant facts and documentary evidence in regard to what has been done to implement what the Prime Minister indicated would be done by way of establishing appeal procedure. I do not need to stop there. I think the hon. member for Greenwood dealt with this as well. I quite appreciate the fact that the government would be in violation of its duty if it did disclose certain aspects of its directives. Surely however it is competent for them to examine, with great care, everything which is comprised within the documents in respect of which the hon. member has asked for production. They could set to one side those which they feel should not be made available at this time because of the security practices which are involved. With regard to the others, they could provide the documents themselves or a very carefully detailed analysis, so that those people who may be involved will know precisely what they will be called upon to contend with if there should be an occasion for a government employee to meet with this appeal tribunal.

After all, Mr. Speaker, I think that nothing less than that would be worthy of the judicial system which has reached its flower in this country. One of the proudest boasts, I think, of our democratic system is the judicial function. I repeat there will be a judicial function which this committee, even though it is termed an administrative committee, will be exercising because it will be reviewing a decision already made. I see no reason why, under those conditions, the details and circumstances under which this review will be made should not be made available so that this house would be able to assess and evaluate the sufficiency of these directives. Then, an individual whose position might be in danger may, at the appropriate time, have an opportunity to meet the charges against him, to know the circumstances under which he will be permitted to defend himself. He could appear or be represented by counsel, knowing in advance what he will be called upon to meet. I suggest that anything less than that will not be carrying out the true spirit of the judicial system of this country.

Mr. Joseph Macaluso (Hamilton West): Mr. Speaker, I have listened with great interest during the last two days to the manner in which this matter has been debated. I was somewhat surprised by the remarks of the hon. member who just spoke when he said that the administrative body which the Prime Minister on October 25, 1963, said would be set up would be exercising a judicial function. I do not find this to be so. I do not feel that an administrative tribunal, such as the one that has been set up, will be exercising a judicial function. The mere fact the hon. member says that because some tribunal is reviewing a person's rights or some complaint they are thereby exercising a judicial function, is not correct in my opinion.

There is no question I think, Mr. Speaker, but that everyone in this house is concerned with the rights of individuals. Every member of every party is concerned and to say that, as the hon. member for Greenwood (Mr. Brewin) did, one who calls himself a Liberal is more concerned, is not stating a fact.

Mr. Orlikow: The Liberals are less concerned.

Mr. Macaluso: I do not believe that because one is called a Liberal makes him more concerned about the rights of individuals than the member of any other party. Any member who believes in human justice believes in the

rights of individuals. The hon. member for Winnipeg North (Mr. Orlikow) who is interrupting should be concerned because he has been doing a great deal of work in this field.

I find that the contributions to this debate seem to be really canned speeches left over from October 25, 1963. I could not gather from the debate that there was any complaint or allegation that the proposal set out in the Prime Minister's statement of October 25, 1963 had not been carried into effect. The complaint we have been hearing is that we are not seeing, in black and white, that these directives are, in fact, being carried out. In my opinion, this is more or less an attack on the integrity of the Prime Minister by believing the head of a government, who is really primarily responsible for the security of the country, should be saying something in this house that he has not followed through.

It has been stated by the Minister of Justice (Mr. Favreau) that the directives did go out.

Mr. Orlikow: That is because you have heard so much.

Mr. Macaluso: You may question me after I have finished.

I have been one, along with the hon. member for Greenwood, who has been quite concerned with the question of security when it deals with immigration cases. I think the investigation of an applicant who wants to become a landed immigrant is somewhat different from an investigation relating to the security of the country itself. I was quite interested in hearing the hon. member for Greenwood asking today, and I think these are his words, what good is it to tell us the new procedures if we cannot see them in black and white? I believe he went on to say this was an affront to parliament. I am one who disagrees with this completely. I think that the statement of October 25, 1963, is as full as any statement possibly could be about the new procedures that were to be incorporated.

Many of the speakers have asked, what are those procedures? Time and time again the Prime Minister, the former minister of justice and the parliamentary secretary to the Minister of Justice, have put on the record what the new procedures are to be. Even the hon. member for Burnaby-Coquitlam (Mr. Douglas) put on the record on July 2 what those new procedures were to be. It is very interesting to note that in his speech of July 2, with regard to the first of the new procedures, he said that meets the first objection. I gather he meant by that that this met the first objection

of the hon. member's party. Then he went on to quote the second new requirement and said:

> That was the second thing we wanted. We wanted a quasi judicial board of review. We did not get a quasi judicial board of review; we got an administrative board of review made up of deputy ministers.

Then the important words are these:

> We are willing to settle for that as an experiment.

It seems to me, Mr. Speaker, that the hon. member and others of his party are not prepared to follow up their words and their own assurance that they were willing to settle for this new procedure to be tried out as an experiment. As the hon. member for Peace River said, nobody is perfect in these matters, especially not those dealing with security.

Here is a new procedure set forward, and it was rightly brought forward as a result of complaints made in this house by members of the New Democratic party. I compliment them on this; but this was before October 25, 1963. To date now we have not had any more such complaints, and I hope none ever comes forward again. I also hope that they at least will follow the words of their leader when he says:

> We are willing to settle for that as an experiment.

I believe there is no logical argument to the motion we are now discussing. As it appears on the order paper it reads:

> That an order of the house do issue for a copy of all government statements and directives to government departments during the past year regarding security procedures and investigations.

On July 2 the Minister of Justice (Mr. Favreau) stated there was only one directive which went out to government departments. That was also stated in answer to the question put on the order paper by the hon. member for Winnipeg North (Mr. Orlikow). That question read:

> 1. Has the new policy regarding security investigations promised by the Prime Minister last session been established and, if not, how long will it be before it is ready?
> 2. If it has been completed and approved, have its terms been made known to the employees of the government and their associations?
> 3. Will a copy of the policy and its regulations be tabled in the house?

The answer to that question was given as follows on May 25 last:

> 1. Yes.
> 2 and 3. The terms have been formally communicated to all government departments and organizations—

I would assume from that that they have been communicated to the senior officers of those departments, but I do not believe that because you communicate a new security procedure to the heads of government departments, who will be directly involved in the new procedure, this means that it should be made known to the public, or even to members of this house no matter how much we may wish to have it so.

The answer continued:

It is not customary to send directives such as this to employees or associations, nor are administrative directives normally tabled in the House of Commons.

The hon. member for Winnipeg North was not satisfied with that answer and as a result we are having this debate on his motion today.

As recorded at page 4957 of *Hansard* for July 2 last the Minister of Justice stated that one directive had been sent to government departments during the past year regarding security procedure and investigation. He said:

There has been only one such directive, Mr. Speaker, and after the most careful consideration the government has decided that it must, in the public interest, decline to accept the motion to provide a copy of the directive.

Let us look at the precedent, or so-called precedent or alleged precedent, put forward in this house on October 25, 1963, by the hon. member for Greenwood (Mr. Brewin). I may say the parliamentary secretary to the Minister of Justice (Mr. Macdonald) answered that in his speech somewhat earlier, but at page 4051 of *Hansard* for October 25 the hon. member for Greenwood is recorded as saying:

The Prime Minister has given reasons why the government decided not to have a quasi judicial tribunal, and I acknowledge at once that the ordinary method of appeal and trial is not suitable to the determination of security cases where it is impossible to confront the person affected with all the information. But, Mr. Chairman, I know of a precedent which was adopted in wartime and which I suggest could and should have been adopted here. During the war the minister of justice, acting under the powers conferred by the War Measures Act and the defence of Canada regulations, found it necessary to intern quite a large number of individuals, sometimes on a mere suspicion.

I agree with that statement.

After public representation it was found possible to set up a tribunal, which was not a tribunal of civil servants or department heads or within the structure of government, but included, as I recall it, a member of the judiciary—

—that was the present county court judge, His Honour Judge Forsyth of Toronto—

—who was free, and bound to be free, from the necessity to consider the internal or departmental matters and who was able to apply a clear judicial judgment to the problems which came before him.

In the light of reading the defence of Canada regulations and the War Measures Act, and also being informed of His Honour Judge Forsyth's statements, I can say the hon. member for Greenwood is wrong, that Judge Forsyth was not applying a judicial judgment to those appeals from people interned. The people interned were interned under section 21 of the defence of Canada regulations, and 30 days thereafter there was a formal procedure by which they could appeal their internment, by which they could come before this tribunal or administrative body, whatever you want to call it, and there they were told to a certain degree in general terms why they were interned.

They were not confronted by the person or persons who whispered some words, or informed on them, whether on sound grounds or unsound grounds—

Mr. Brewin: Would the hon. member permit a question? Is the hon. member aware that under the proceedings to review internment that he is referring to, a code, as it were, a form of procedure was specifically spelled out requiring particulars to be given, and setting up the types of notice procedure and so on by which hearings were to be undertaken?

Mr. Macaluso: That is exactly what I stated, that there was a formal procedure by which the person interned could appeal his internment. I did not detail what the formal procedure was.

Mr. Brewin: Then one further question; if in wartime security reasons were not so severe that the interned person could not be given some sort of a fair procedure for appeal, which was set out in detail, does the hon. member believe in peacetime that the many, many civil servants who may lose their jobs or reputations are not entitled to the same consideration?

Mr. Macaluso: I do not agree with the statement made by the hon. member for Greenwood, that in wartime there were specific details given to those people who were interned. I know to the contrary from personal experience in that regard that this was not the case. It was most difficult, if not impossible, to find out why some of these people were there, although it is known many were interned because some person or persons did not like them. We know this is a fact. I say

I feel quite concerned about this matter because they did not have proper appeals. They were not informed in detail as to why they were interned. I said they were told in general terms.

Mr. Orlikow: But you are not concerned now.

Mr. Macaluso: I say these administrative bodies were not rendering any judicial decisions. There were no cross-examinations and those interned were not confronted by the persons who lodged complaints against them. Therefore when the hon. member for Greenwood asks why a similar quasi-judicial tribunal cannot be set up in peacetime I answer that there was no quasi-judicial tribunal at that time.

Mr. Orlikow: What is there now?

Mr. Macaluso: The hon. member for Winnipeg North asks what is there now. For one who speaks so much in this house and says he reads *Hansard* so much, I ask him again to read the statement of the Prime Minister on October 25, 1963, and also what the former minister of justice said at that time, because in those statements it is set out in detail. His own leader set it out on July 2. Perhaps he might read *Hansard* again. I do not have time to do it for him now. I should like to refer to some of the words used by the Leader of the Opposition (Mr. Diefenbaker) on October 25, 1963 as reported on pages 4048 and 4049:

> The matter under discussion is one of the most difficult problems that faces a government today. It is understandable why the Prime Minister should have made a statement this evening as to the policy of the government, for the responsibility of national security rests primarily on the Prime Minister.

These are words with which I agree and with which many people agree. The right hon. gentleman carries on with regard to the office of prime minister by saying:

> He cannot put his responsibility off on somebody else. He in his person has the custody of our survival and of our security.

I agree with those remarks. The Prime Minister of this country is responsible for the security of this country as no other person is, and as far as I am concerned, after reading the statement made by the Prime Minister on October 25 and the interjections made by the hon. member for Winnipeg North (Mr. Orlikow) it seems to me the hon. member for Winnipeg North is not interested in what was contained in that statement; he does not believe there has been such a directive issued.

[Mr. Macaluso.]

Mr. Orlikow: That is right.

Mr. Macaluso: The hon. member says "that is right". He does not believe there is such a directive.

Mr. Orlikow: I want to see it.

Mr. Macaluso: Here is a member of the House of Commons who does not believe that the man who is responsible for the security of this nation—

Mr. Orlikow: I just want to see it.

Mr. Macaluso: Well, you cannot change the minds of those who do not wish to have them changed. You cannot change the minds of those who are so blind—

Mr. Baldwin: May I ask the hon. member a question? I did not ask it earlier because it was not my intention to create the impression that this body was a judicial body. But does he not feel that despite the fact this tribunal will be composed of administrative officials, once it has been clothed with powers authorizing it to review findings or decisions which affect the rights of an individual, that it might then be considered as exercising a judicial function and should exercise that function in a judicial way?

Mr. Macaluso: Perhaps when I said it would not be exercising a judicial function I was speaking only in a limited sense. In a way, the hon. member is right; it is exercising a judicial function by reviewing some evidence which is before it, but the committee does not hand down a judicial judgment in a true sense because the evidence before it is not the same as evidence which would be given before a judicial tribunal. Here we have an administrative tribunal made up of deputy ministers of various government departments. They will be able to bring before them, as I understand it, the person who has been charged, and I think this should be done. I doubt very much whether he will be confronted by the person who has charged him. In this sense this is not judicial evidence. It is perhaps a play of words; we are not at odds. But my feeling is this: let us try out this new procedure. If it does not work, then surely we can devise another which does work.

Mr. R. W. Prittie (Burnaby-Richmond): The millenium in security procedures was not reached on October 25, 1963. I have a particular case in mind which was brought to my attention since this motion was put on the order paper. It involves a young man working for the Department of Transport in

my own riding, whose employment is affected at the present time. His case has been taken up by the British Columbia civil liberties association and they have had correspondence with the Minister of Transport about it. I should like to quote first of all from a letter dated May 28 sent to the Minister of Transport by Mr. William H. Deverell, executive secretary of the British Columbia civil liberties association. It says, in part:

> The employee in question objects to answering certain questions relating to his in-laws—such as birthplace, birth dates, last address while living, date of death, as well as place and date of birth of his wife. Basically, the questions relate to information of which he has no personal knowledge and he feels it is an unfair requirement of holding his position that he seek information about persons other than himself.

In reply to this letter the Minister of Transport mentioned the statement made by the Prime Minister in the house on October 25, 1963 and the statement made by the Minister of Justice (Mr. Favreau). I wish to quote from the statement by the Prime Minister as set out in this letter because I intend to refer to it later.

> The granting or the denial of a security clearance is an administrative matter, one of managerial responsibility. In making a decision that an applicant or employee may not safely be given access to secret and confidential information, the head of a department or of an agency is not denying an individual a right. No person, of course has a right to see official secrets. The department head is merely exercising the judgment he is expected to apply on the basis of all the information available to him in the way that any sensible person would exercise such judgment in hiring a secretary, a cashier, a lawyer or a doctor, ensuring that such person could be trusted with his property, his private business or his physical health.

I wish to refer later to this part of the statement referring to the hiring of a secretary, a cashier, a lawyer or a doctor in private life or private business. Later, the minister in his letter, quoting the Minister of Justice, had this to say:

> In the first instance, such employees are asked to provide certain basic information about themselves and about close relatives who may influence them or cause them to be influenced in a manner which would bear on their loyalty or reliability.

It seems to me that the government goes far beyond the ordinary practice followed by anyone hiring a cashier, or a doctor, or a secretary as set out in the Prime Minister's statement. It seems to me that employers are not too interested in information concerning a man's relatives. In fact, it may be illegal for them to ask for such information. However, in connection with government security procedures questions are asked about a great many relatives and this seems to presume too much upon the influence which one relative may have over another. If a man comes from a big family he might be in a very bad position. I have nine or ten live aunts and uncles as well as 26 or more first cousins. I cannot count how many second cousins, nephews, and nieces I have. Surely, the government does not need information about all these people. Last year a case was brought up by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Cameron) involving a young man who had been released from the navy because it was thought an uncle of his had been a communist at one time. Later, it was shown there had been a case of mistaken identity. I ask the question: What if his uncle had been a communist? Is this young man to be condemned forever because of that?

May I call it six o'clock?

BUSINESS OF THE HOUSE

The Acting Speaker (Mr. Batten): The hour appointed for the consideration of private members' business having expired, it is my duty, pursuant to provisional standing order 39A to inform the house that the questions to be raised at ten thirty o'clock this evening are as follows:

The hon. member for Yukon (Mr. Nielsen), request for steps to preserve historical articles; the hon. member for Nicolet-Yamaska (Mr. Vincent), agriculture, Quebec, proceedings respecting application of ARDA program; the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), trade, cigar tobacco surplus products.

The house will now resume the business interrupted at five o'clock.

DOMINION-PROVINCIAL RELATIONS

PROVISION FOR REVISION OF FISCAL ARRANGEMENTS AND TAXATION PROVISIONS

The house resumed consideration in committee of the following resolution—Mr. Gordon—Mr. Batten in the chair:

> That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Douglas: Mr. Chairman, when this debate was adjourned at five o'clock I was criticizing the proposed changes in the federal-provincial tax sharing arrangements. I was criticizing these changes on the ground that they were not designed to bring about greater equalization or equity but that instead the formula was being distorted in order to bring about a desired result. I think this is fully confirmed if one looks at the table which the minister placed on *Hansard* at page 5184. One sees for instance the changes which arose out of the November, 1963 conference and the effect they will have in the revenue of the provinces in 1964. The provinces will get an additional $87.4 million, of which the province of Quebec will get $42.5 million, or almost half. Next year, out of $106.6 million the province of Quebec will get $54.4 million, or more than one half of the total.

There are other anomalies in this distribution of revenue to the provinces. For instance, if one takes the three prairie provinces, which in terms of per capita personal income are almost identical, one finds that under this formula in the present fiscal year Manitoba gets $7.1 million, Saskatchewan $3.2 million, and Alberta $1.6 million. If you take a comparison of the two provinces which have very close to an equal per capita personal income, namely Ontario and British Columbia, you find that Ontario gets $14.4 million and British Columbia $3.9 million. In other words, Mr. Chairman, I am saying that the federal government, in trying to get a settlement at the November conference, departed from the principle of equalization and sought to rig the formula so as to help those provinces that seemed to be most in need of being pacified.

I am not suggesting for a moment that the province of Quebec is getting too much. I am suggesting that there are other provinces that are getting too little. The province of Quebec has a very serious financial problem; in fact it has two very serious financial problems. One which is not commonly recognized is that outside of the Atlantic provinces Quebec is the only province in Canada that year after year has a per capita personal income below the national average. This should be kept in mind. It might be of interest if I just gave to the committee the per capita personal income by provinces for 1962: Newfoundland, $972; Prince Edward Island, $1,009; Nova Scotia, $1,245; New Brunswick, $1,107; Quebec, $1,417; Ontario, $1,938; Manitoba, $1,696; Saskatchewan, $1,690; Alberta, $1,687; British Columbia, $1,896. The average per capita income across Canada was $1,658. So that Quebec has a financial problem; she is one of the provinces that is below the national average, and has been consistently year after year. But I point out that all the Atlantic provinces are also below the national average and are much further down than is the province of Quebec.

Mr. Pigeon: I am not so sure.

Mr. Douglas: I have just given the figures to my hon. friend. It is very clear that they are lower than Quebec; yet this formula does not benefit them to the extent that it benefits the province of Quebec. The Atlantic provinces have been the forgotten provinces in working out this formula.

The other problem which the province of Quebec has is that this province has now launched upon a large program of social capital expenditure. Quebec has lagged behind in the supplying of schools, hospitals and other social capital programs. Now these programs are coming at a time when the costs are higher than they would have been had they been undertaken 20 years ago. Therefore I recognize that the federal government should do something to help the province of Quebec; but I am submitting that these two problems which face the province of Quebec should be dealt with first of all by having a fiscal need grant for all the provinces. We already have it in the form of the Atlantic provinces adjustment grant. I support that program; I advocated it for years before it was introduced. I think that some formula of assistance to the provinces on the basis of fiscal need should apply to any province whose per capita income is below the national average. This would help Quebec—

Mr. Grégoire: Mr. Chairman, may I ask the hon. member a question?

Mr. Douglas: Yes.

Mr. Grégoire: I heard the hon. member say that Ottawa should help Quebec. I do not know whether the hon. member is aware that only two provinces pay more taxes to Ottawa than they receive in a year. They are Ontario and Quebec; and Quebec pays $800 million more in taxes.

An hon. Member: No.

Mr. Douglas: Mr. Chairman, there will be plenty of time to argue this out later. How-

ever, I think my hon. friend is talking absolute nonsense when he makes that statement.

Mr. Grégoire: These are figures published by the government.

Mr. Douglas: My hon. friend will get the chance to make a speech later on. If he can substantiate that statement, we will be glad to hear him.

An hon. Member: He is talking about corporation taxes.

Mr. Douglas: Yes, he is talking about corporation taxes.

Mr. Grégoire: No; all taxes together.

Mr. Douglas: If the hon. gentleman can substantiate that statement, I will be glad to hear it. It is useless just making a statement without substantiation—

Mr. Grégoire: These figures are published by the government.

Mr. Douglas: —because my recollection is that he has made a lot of statements from time to time that could not be substantiated. The point I am making, Mr. Chairman, is that the way to help Quebec is first by having a fiscal need adjustment grant which will be applicable to Quebec or any other province whose per capita income is below the national average.

The second is by the federal government's having a social capital program to help provinces who have particular need for social capital. The way not to do it is to rig the equalization formula and distort it in the manner which has been adopted. I think this has been an unfortunate action on the part of the government.

The second matter I wanted to deal with in the very limited time I have left is the proposals which are arising out of the April conference. The minister said that this proposal to give to the provinces a 2 per cent additional abatement of personal income tax in the fiscal years 1965-66 and 1966-67 came out of the April conference. Personally, Mr. Chairman, I doubt that very much. I think it came out of the federal government's desire to get a settlement on the Canada pension plan. Certainly no such proposal was put before the provincial governments at the conference in April. The significant point is that the provinces are always placed in the position of Oliver Twist: they keep asking for more and the federal government always says there isn't any more. Then when the provinces find some way of putting a pistol to the head of the federal government they find more.

Just to see how the shares in the three tax fields have grown since 1952, let me point out that at that time the formula was 10-9-50. Then it went up, as the Leader of the Opposition said. His government raised it, first to 13-10-50, and then later on to 16-10-50, with the personal income tax abatement going up one percentage point per year for four years. Now with these two additional percentage points in the last two years of the present agreement, it means it will go up to 24 per cent. There are 24 percentage points of abatement for personal income tax, 9 per cent for corporation tax and 75 per cent for succession duties. This is a tremendous increase. But every time that it has been gouged out of the federal government; the provinces almost had to resort to a form of blackmail in order to get it.

I certainly support the government in granting this additional 2 per cent abatement of personal income tax for the last two years of the agreement, but I do not think it was offered voluntarily. I think that this is the price which the federal government has paid in order to get agreement on the Canada pension plan. I do not want to indulge in recriminations; but the point I am making is that if we are going to have satisfactory federal-provincial relations, and if we are going to put this country on a sound basis, the federal government has to approach this problem, not on the basis of how little it can get away with but on the basis of how much it can do in order to help the provincial governments, and through them the municipalities, to grapple with the financial problems which confront them.

I know, Mr. Chairman, what the minister will say. He will remind us of the problems which the federal government has and that it is facing a deficit. I do not care about the deficit problems of the federal government. In the first place, as the minister himself pointed out in his budget address, there is a difference between the traditional budgetary bookkeeping and the national economic accounts. If one looks at *Hansard* for Monday, March 16, and at page 29 of the white paper, the minister himself tabled statistics to show the difference between the national economic account for Canada and the traditional budgetary bookkeeping. What, Mr. Chairman, do we find? We find that in 1963, particularly for the last quarter when the economy was beginning to gather momentum, whereas the

traditional budgetary bookkeeping showed us a deficit of $115 million, the national economic account showed a surplus of $47 million. In other words, when the minister or anyone else takes refuge in the fact that we may have deficits, he is resorting to the old type of budgetary bookkeeping. When we look at the national economic account we realize that, as the economy gathers momentum and we increase productivity and the gross national product, these deficits will disappear.

If the minister really believes, as he has said repeatedly, that our economy is going to grow and expand, then I do not think we have to worry about deficits. I think the government can afford to be much more generous to the provinces than they have been. I think they can afford, for instance, as I suggested a few moments ago, to increase the Atlantic provinces adjustment grant. Because the Atlantic provinces are the Cinderellas of confederation and the rest of Canada has not done fairly by them.

I think that the principle of a fiscal need adjustment grant should be extended across Canada. It would apply to Quebec. It would not apply to the other provinces in a normal period. Right now, for instance, there is the threat of a drought in Saskatchewan which could extend into Manitoba. There could be years in which the per capita income of a given province might drop below national average, and if we had a fiscal adjustment grant in those years that province would have a claim on the federal treasury.

The Chairman: Order. I must interrupt the hon. member, whose time has expired unless the committee wishes him to complete his remarks.

Some hon. Members: Agreed.

Mr. Douglas: Mr. Chairman, I thank the committee for their generosity and I will take only a moment or two more. It seems to me that this is the kind of approach which would gain the support and the confidence of the provinces of Canada. Instead of sitting around a table and cutting up a small pie, haggling over how much will go to the provinces and how much will go to the federal government, we should try to think in terms of an expanding economy, of a larger pie to be divided up, and recognize that the principle of equalization must be based not on a rigged formula but on the basis of fiscal need; that those provinces which are most in need ought to get the largest share of these equalization payments. I grant you that so far as the province from which I come is concerned it is unlikely that it would ever qualify.

Mr. Gordon: Which one, B.C. or Saskatchewan?

Mr. Douglas: I am talking now of British Columbia. I represent a constituency in British Columbia. But other provinces in Canada which might be affected by drought or some economic catastrophe would benefit, and from Quebec to the Atlantic ocean every one of the provinces would benefit year after year. It is only on the basis of this kind of equalization, this business of sharing one another's burden, being each other's keeper, that we are going to build the kind of co-operative federalism which has any meaning. Otherwise co-operative federalism is sheer window dressing. It is merely a matter of indulging in eulogistic phrases unless it actually means sharing with those provinces who, for one reason or another, are less fortunate than other provinces. I think that is the basis upon which federal-provincial fiscal agreements must be negotiated.

There are two other matters which I wish to touch on very briefly. First of all, I support wholeheartedly the government's decision to continue the Newfoundland transitional grant which was supposed to expire on March 31, 1967. That expiry date has been wiped out, which is as it should be. I support the decision completely. I also support the idea of entering into an agreement with any province which is supplying youth allowances by giving to such a province a 3 per cent abatement on personal income tax and then making an adjustment at the end of the year so that the province gets back what it has actually spent. I see no objection whatsoever to that and I think that in this case the federal government has worked out what ought to be a very satisfactory arrangement. If the province of Quebec is happier with that kind of arrangement than having the federal government handle youth allowances, I do not see why any of us should object. They are not getting anything to which they are not entitled and it is equitable and fair all round.

There is one other point I want to make. I have said repeatedly in the house, and I am not going to elaborate now because I may want to say something about it when the bill is before the house, that this house ought to be concerned, and I am sure it is, about the danger of stripping the federal government of the fiscal powers which it needs to combat either inflation or deflation, to maintain economic stability and to promote economic

growth and full employment. Control of fiscal policy is one of the Keynesian techniques which any government has to retain if it is going to meet the problems of economic fluctuation. As the federal government parts with some of its taxing powers it loses this control.

What is the answer? I do not think the answer is for the federal government to take back these powers from the provinces, but I think the Porter commission put its finger on this at pages 519 to 521 of its report when it said that the time had come in Canada for the federal and provincial governments to co-ordinate and direct their fiscal policies.

I was very glad to see that Professor K. W. Taylor, who is special adviser to the privy council office and who was formerly deputy minister of finance, had this to say when he spoke to the 17th tax conference sponsored by the Canadian tax foundation in November last in Vancouver:

> The subject of my paper is the federal budgetary process, but I do want to emphasize in these prefatory remarks that the size and patterns of provincial and municipal revenues and expenditures have an important bearing on both national and regional economic development and that these levels of government should carefully appraise the economic implications of their fiscal policies both in their own interest and in the national interest.

He went on to say:

> Five years ago at a federal-provincial conference Saskatchewan suggested that there should be a regular annual meeting of federal and provincial finance ministers to review economic prospects and exchange views on appropriate fiscal policies; and two years ago Mr. Gerin-Lajoie, here in Vancouver suggested regular federal-provincial consultation to co-ordinate matters of national interest and priority. I am sure we can agree that there would be considerable merit in promoting co-ordination of federal and provincial fiscal policies.

The point I want to make is just this, that we must be very careful not to so diffuse fiscal policy in this country that Canada cannot effectively cope with either an economic depression or a period of inflation. I hope the Minister of Finance is giving some thought to the possibility of annual meetings of the Minister of Finance and the provincial treasurers with the idea of co-ordinating their respective budgets so that fiscal policies will not be purely a federal matter but a federal-provincial matter. Otherwise I think that federal and provincial budgets can cancel each other out. They could bring about economic conflicts. They could have serious repercussions for our economy, and I think this is one of the steps that could be taken to make more effective and more efficient federal-provincial co-ordination in this field of fiscal relations.

Mr. Thompson: Mr. Chairman, the resolution before the committee tonight is one of urgent and extreme importance, important to some provinces for what it contains, important to other provinces for what it does not contain. The entire policy of the federal government regarding federal-provincial fiscal arrangements has been and continues to be disappointing. While there has been a great deal of talk with particular emphasis on co-operative federalism, the government to date has done nothing much more than to yield to the pressures of the day, particularly as they come from some of the larger provinces, and has failed completely to come to grips with the fundamental issue which must be resolved before there ever can be any solution to the federal-provincial fiscal problem.

At the very heart of the fiscal arrangements problem is the basic problem of debt, and I am speaking strictly of federal government debt and provincial government debt. At the present time the provincial and the federal governments together, not to mention the municipal and local governments, are spending approximately $1 billion more than they are able to collect from their revenue sources. It seems to me that it does not really matter how we juggle the dividing of these tax deficit problems between us because basically, the cold, hard fact remains that in the end there just is not sufficient income to meet the demands for public services at the present time. To overlook and bypass this basic problem is simply not to face up to realities.

The federal government is seemingly content to hide behind blinkers in the belief that somehow everything will turn out all right. This attitude and philosophy is preventing it from projecting any alternative solution or facing simple facts as they are. What is urgently needed in our economy today is nothing more or less than a strong position of leadership, and I am speaking particularly now of fiscal leadership, to bring in those financial policies that will let the logical expansion of our country go forward in such a way that the tremendous wealth that is ours can equitably be shared not only by governments but by Canadian citizens themselves. We simply do not have this financial and fiscal leadership at this time. This applies to the federal government's own policies and certainly applies to the policies for which it is responsible that relate to the provinces. Unless something is done to satisfy permanently

the problems we face in a more satisfactory way, what I am afraid will happen is that the provinces, provincial policies and provincial needs are simply going to polarize further than they have up to now, and instead of our uniting into a stronger nation where we would have the ideal situation of what one might call co-operative federalism we are going to be fragmented still more than we are at the present time. This applies particularly to the realm of fiscal arrangements between the federal government and the provinces.

In the minister's March budget speech he forecast a deficit for the current fiscal year of some $455 million according to what he said, as found on page 5185 of *Hansard*, is the traditional method of accounting. I was intrigued by those words, "traditional method of accounting". I wonder what the minister actually meant. Then I go on further and I read these words in the statement he made to the house the other evening:

> Obviously there must be limits beyond which the federal government cannot go without endangering its own financial position.

What does he mean by traditional bookkeeping? What does he mean by limits beyond which the federal government cannot go?

I should like at this point to pose several basic questions to the minister to which I have not been able to get satisfactory answers in the house, and I have not seen any record where the minister has given the answers in any other place. First of all, to what extent has the Bank of Canada purchased government bonds? What is the average length of time that these bonds are likely to be held before maturity or before they are sold? How many of these bonds are likely to be held until they do mature? How much money is actually paid to the Bank of Canada in interest on these bonds which the Bank of Canada holds? What portion of these charges is returned, this accruement of interest charges on government bonds held by the Bank of Canada, to the consolidated revenue fund? Based on the replies which I think it is the obligation of the minister to give us to these questions, is it not true that the volume of spending must be governed by the inflationary pressures that exist in the economy?

This leads on to another logical question that relates to the present use that is being made of the Bank of Canada so far as government bonds are concerned. I should like to hear the minister say why a branch of the Bank of Canada in the form of a municipal development bank with low charge rates based on actual administration costs, could not be a very desirable change in his own fiscal requirements. I am sure if he can use the Bank of Canada as I have reason to believe he is using it at the present time for the purposes that he is, there is no reason at all why there could not be established as part of the Bank of Canada a municipal development bank which would meet the capital development needs of the provinces and of the municipalities. On this basis, we would be decreasing some of these fixed costs to the extent that certainly the fiscal problems that the provincial governments face at this time would be much easier than they are.

I realize that many of the expenditures which the government faces are fixed expenditures and it is almost impossible to reduce them. On the other hand, 15 per cent of our budget tax dollar is being paid today for interest charges on the national debt. If the government were not facing this tremendous drain of expenditure for this purpose, if the Bank of Canada through such a bank, shall we say, as the municipal development bank, could eliminate much of this unnecessary expenditure, and then certainly there would be more money not only for the federal government itself but also to share out with the provinces. Then, I would suggest that the facilities of the private banking system would be contracted in making such credit available. If it is true that the Bank of Canada is holding much of the national debt at the present time, the real problem then in Canada is not deficits, it is instead a matter of controlling inflation.

Now, without spending too much of the short time that is at my disposal with regard to some of these basic, fundamental changes in financial policy which could ease the overall fiscal burden, I do want to emphasize the fact that you can only make X dollars go so far. You can cut the pie in any way you want, in as many pieces as you want or with as complicated a formula as you want, but there are still only so many dollars to deal with. It is on this basis we have to face up to this very important problem.

Now, coming to this question of equalization and the chart which the minister tabled the other night when he made his remarks. It is very interesting to note when you look over how equalization affects the different provinces, that two provinces which will have no benefit whatever from this present arrangement for equalization are Alberta and

British Columbia. As I was studying this situation this afternoon, a strange thought came into my mind, at least it may seem strange to the minister, Mr. Chairman, but it is not so strange to me. The best way for him to settle the problem he faces so far as equalization is concerned, is to go out and help get a Social Credit government elected in all of the rest of the provinces, and then he would not have any problem.

Actually, what is happening—

Mr. Gordon: That'll be the day.

Mr. Thompson: The minister says, "That'll be the day." What he is doing is penalizing certain aggressive policies which are meeting the needs of these provinces, and penalizing the people of these provinces because they have a government that is facing up on this basis. The minister is robbing from them to pay others simply because this policy of equalization is antiquated and certainly not equitable. If you carry these obvious facts through, it seems to me, Mr. Chairman, that the policy we have at the present time can at the best be seen to be something that is merely doctoring over the symptoms, instead of getting to the root cause of the disease itself.

There are four basic facts which I want to impress upon the minister tonight as far as inequality is concerned in the present fiscal arrangements as they affect some of the provinces. These points probably overlap in some instances on some of those raised by the previous speaker. Certainly, it affects in a most serious way those newer provinces which have gone forward in a more efficient and effective way in the development of their resources and their economies and at this time is placing them in a very inequitable position.

First of all, I should like to mention the question of hospitalization. In the province of Alberta, the hospitalization insurance scheme does not depend upon prepaid premiums nor is it dependant upon a sales tax which is levied for that particular purpose. Instead, the hospitalization insurance scheme uses the principle of a deterrent, where actually as they need the services the citizens themselves contribute a small amount to cover part of the cost of hospitalization. In the over-all effect, this probably produces one of the most economic and satisfactory hospitalization insurance schemes in the whole country. It works on this simple basis. When a person is admitted to hospital he pays a sum of from $1.50 to $2 for a certain number of days, beyond which the service is completely free. This initial co-insurance principle has about the same effect as the deductible clause does in an automobile insurance policy. Instead of paying the entire cost of insurance, this cost saving goes right back to the individual who uses it most and prevents a runaway so far as costs are concerned.

Now, under the present arrangement with the federal government, 25 per cent of the hospital costs are paid to the province on a per capita basis. Another 25 per cent is paid on an over-all cost basis, but in Alberta where this co-insurance is in effect and where there is, in other words, a deterrent deductible principle at work, this amount which in the past five years has amounted to something like $7 million is deducted from this cost factor, and thus federal government does not carry its share of the hospital insurance expenditures that it does in other provinces. The province of Alberta has tried to get the federal government to recognize this principle, but they refuse. They say they are in favour of a principle where hospitalization is available to everyone without any cost. Well, such a thing does not happen because you cannot get something for nothing. Somebody somewhere has to pay for it. The principle here is simple and it brings about a more satisfactory end result. Making hospital service available to everybody, which we all agree is a social responsibility today, is a fine thing but our federal government in its policies is completely unfair to the provincial government that brings such a practical policy. In other words, you are just driving yourself deeper into the net that is going one day to draw the string tight, so far as any hope of operating within our ability to pay is concerned; I think this is unfair.

Another thing that is extremely inequitable so far as government policies are concerned relates to the corporation tax charged on privately owned public utilities. One may say this is not very much because there are very few utilities left which are privately owned, but under the policies followed by this and previous governments we are simply driving our utilities into the arms of public ownership. In some places it may be necessary for this to take place, but I think we should preserve our privately owned and operated utilities wherever we can, particularly wherever they are operating efficiently and economically.

Because the federal government refuses to recognize this principle it means that citizens in provinces like Alberta, and in one or two others where there are privately owned utilities are paying a tax that citizens in other parts of Canada, where utilities are publicly owned, do not have to pay. It is true that approximately 50 per cent of this tax is refunded to the provinces. It is difficult to determine the exact amount since it is included with the tax rental payments, but in the province of Alberta it amounts to something like $9 million. At least this was true in 1962-63, although I do not have the exact figures for last year. However they were approximately the same.

The question can be asked, where do you stop such a policy? Is it to apply to all utilities or only electric utilities? Well, the principle is there. If we really believe we must preserve and reserve private enterprise wherever it will function effectively, even in the field of utilities, then we must admit that we are through these backward and inequitable policies driving ourselves into the arms of the very thing the government says it does not want. This is like paying lip service to something and at the same time backing into it.

Another inequitable situation which has arisen in the last few months, and which was brought out rather clearly in the statement of the minister the other night, relates to the question of the payment of sales tax by crown corporations to the provinces in which these crown corporations operate. Perhaps the principle is right, that crown corporations should not be exempted from paying the tax which other enterprises have to pay. That is a basically correct premise, but what about this principle as it applies at present to those provinces that do not have sales taxes? There is no sales tax in two provinces, Manitoba and Alberta, and so those governments are being placed in an inequitable position, so far as the amount of money is concerned that the government is turning back to them in comparison with the other provinces.

Perhaps to some this might not be such a strong argument for the future, but here the government, according to the statement made the other night, is going to pay this amount of money retroactive for the last two years. On this basis two provinces are being placed in a very inequitable position. It seems to me such policies are not only unfair but they cannot be condoned, and what bothers me is that the government does not seem to be concerned. At least it shows no indication of wanting to do something about the problem.

Another factor which has already been dealt with to some extent tonight is the resource factor in tax sharing. At the present time 50 per cent of the provinces' resource income is deducted in calculating the provincial average income. How the government can justify this kind of policy is something that is very difficult to understand. Before the basis of the agreement was altered, so far as the method of equalization payments is concerned, it entitled the province of Alberta to $23.5 million last year, but the introduction of the resource factor reduced that to $3.6 million.

In this matter of natural resource income, something which is very important to consider is that it is not just the income that comes from natural resource development itself but that which comes from sale of resource capital assets. What is happening here is that those provinces which have been in the past or are presently willing to sell their natural resources away for a pittance, are today reaping the advantage of this present policy. This is certainly unfair, particularly to the western provinces, and it will be unfair to some other provinces as they undertake more resource development.

The per capita income from natural resources in the province of Ontario in the fiscal year 1962-63 amounted to something over $5. Many of the provinces to the west had a far greater per capita income than this. In fact Alberta had a $97 per capita resource income. As a result this policy is penalizing these provinces. An example which the hon. member for Timmins brought up the other night is that the processing of the ore from Timmins is planned for North Carolina in the United States. The same thing is happening with Quebec iron ore deposits. Instead of the provinces where these resources are located benefiting from the processing, we are shipping the resource material out, and then we are taking away money from those provinces which make a more practical use of their resources in order to make up the loss to the citizens of these provinces I have mentioned. To me this seems to be completely unfair and this is one aspect of the federal-provincial arrangements which must be adjusted.

Why does the federal government insist on using national resource revenues when calculating equalization payments? We have not had an answer from the minister to this

question, and I would remind him that it is basically unfair.

Coming back to the question of equalization, there are two basic principles which the government has enunciated over and over again. We have heard them in this house and we have heard them from public platforms when government ministers have spoken. The first is that the provinces must have the right to administer their own affairs, and the second is that all provinces must be treated equally.

It is one thing to pay lip service to these basic, fundamental principles; it is another to put them into practice. It is this discrepancy between what is stated to be government policy and the working out of government policy that is causing so much dissatisfaction among the provinces.

Dealing with the question of the present arrangement, so far as tax sharing is concerned I would very much like to use the balance of my time to speak about several of the basic reforms that the minister ought to be introducing in his own policies. But I do not have too much hope that he will ever bring in these reforms because I do not see any evidence of them, either in what he says or in the policies being placed before us. Instead I want to talk for a little about what might be done as far as better arrangements under the present set up are concerned in order to adjust some of the inequities I have been speaking about. The premier of the province of Alberta after studying this equalization question has made a proposition which I think would be much more fair to all the provinces. It recognizes the fact that most provincial governments, as well as the federal government, are operating at a deficit and that in the over-all picture these deficits amount to a very large sum. The alternative equalization policy proposed involves four steps. First, the government of Canada in consultation with the provincial governments would agree on acceptable national standards of services in the fields of public health, public welfare and, perhaps a little later on, in the field of education. Certainly it will not be possible in the days which are ahead to polarize activities in all these different fields into ten different compartments.

Much is being said about our responsibility in the field of health at the present time. It is not so much a question of arguing what our responsibilities are as it is of working out how these responsibilities can be discharged in the most effective fashion on a basis which the people of Canada can afford. The second step in this Alberta proposal would be to appraise the per capita cost of providing these basic services in each of the fields to which I have referred—to set up across Canada the basic standards we want in health, public welfare and those aspects of education in which the federal government may have some responsibility to assist with financially. Then it could be worked out what the anticipated cost of all these services to be on a per capita basis. Once this has been done, we come to the third stage—the creation of a joint federal-provincial fund sufficient to meet this cost. This would mean abolishing entirely the present system of federal and provincial government income tax and corporation tax as it is known today. It would mean abolishing the present federal and provincial sales taxes as they exist today. In place of the present tax arrangements a joint federal-provincial income tax would be established together with a joint federal-provincial corporation tax and a joint federal-provincial sales tax. When I say "joint" I am not implying this is something the federal government would take and then redistribute according to some plan of its own, but to save the cost of administration it would all be collected by the federal government and then divided up again on a per capita basis to meet the needs of the provinces in providing these basic welfare standards. The joint sales tax could take the form of a national retail turnover tax which, besides being simpler to operate, would avoid the inequities inherent in the present federal sales tax imposed at manufacturers' level, and the complicated nature of the retail sales taxes which are imposed in most provinces. Also into this fund should go all the revenue produced by succession duties. The idea is that the revenue from these three joint taxes and succession duties would be sufficient to pay on a per capita basis the agreed minimum standard of services in the fields of public health and public welfare across the whole national scene.

The Chairman: I regret to interrupt the hon. member but his time has expired. The committee may of course permit him to continue.

Some hon. Members: Agreed.

Mr. Thompson: Thank you very much. My remaining remarks will be brief.

There may be those who will say this proposal involves a surrender of provincial rights. However, we must realize it is not

good enough for us to talk about being Canadians and then, over and above that, to talk about our being maritimers or westerners or French or English. We had better face the fact that if we are to be a nation we must accept the principle that we need a strong federal government. We can never be a nation without that. On the other hand we want to have provincial governments which can pay their way and meet their responsibilities under our constitutional responsibilities. We are reaching a point where we can no longer talk about policies compartmentalized into so many different units, destroying the very fibre which is necessary to make a nation.

A great deal has been said by some members of this house to the effect that their provinces pay more than they get back in return. Let me call attention to the example of my own province. In 1962 the federal government collected from the province of Alberta approximately $320 million. In return the provincial government received through grants, joint projects and shared programs, approximately $90 million. In other words it cost in the neighbourhood of $230 million for the citizens of Alberta to belong to Canada. Is that wrong? I do not think it is. In return for the benefits received for being part of the nation of Canada we should be happy and willing to make such a contribution. On the other hand, if we expect our citizens to adopt the attitude toward our nation which we think they should be taking as citizens, the federal government must come forward with fiscal policies which are fair to the provinces, the municipal governments and the individuals concerned. I dislike hearing words to the effect—and we hear them more and more often—that we are Quebeckers or maritimers, or English, or westerners first and Canadians second. This is not the way in which to build a nation which will survive in the years ahead.

To sum up my remarks briefly I would say, therefore, that the building of a strong Canada and the development of an effective federal government which will at the same time permit strong provincial governments to exist as well, able to bear the responsibilities allotted to them, will depend in great measure on what is done in this sphere of fiscal relations. It is not enough to continue to patch up something which has failed to work to the satisfaction of the provinces, something which is causing division across the nation, something which is unfair, something which is harming the way of life we agree Canadians should support. Indeed, in what seems at first glance to be a harmless and innocent resolution, we have before us here a problem which will deeply affect the future and the well-being of our nation.

[Mr. Thompson.]

[*Translation*]

Mr. Grégoire: Mr. Chairman, one would be led to believe that our economic system is behaving at present like the St. Lawrence river in front of Quebec city, where the tide rises and falls beautifully. The same thing is happening today in the fiscal field.

At times we have seen the federal government seizing hold of almost all the sources of income, even at the expense of provincial rights and, at the present time, we can see that this same federal tide is gradually ebbing away from the fiscal field, making way more and more for the provincial governments.

Mr. Chairman, I think that the Leader of the Opposition (Mr. Diefenbaker) was right when he said this afternoon that politics is rather thankless. Demands are made by the provinces and by the people, and when the government grants anything, they soon forget and ask for more.

Well, the Minister of Finance can expect the same thing to recur. He must be aware that Quebec will not be content with 24 per cent of personal or corporate income tax, or 75 per cent of estate taxes. Quebec will surely ask for more than it has already received. And even if the province offers no thanks, it will not be ungrateful, because those sources of income had been guaranteed by the Canadian constitution and were taken away from the province.

The provinces have jurisdiction over direct taxation, and the federal government at the time of the war, encroached upon this field and took over those sources of income. After having made what he calls arrangements with the provinces, he withdraws quietly, gradually and hesitantly, and at times does not even want to do so. The Minister of Finance can hardly expect appreciation if his predecessors decided to impinge upon provincial rights.

When the provinces claim what is constitutionally their own, it is because the constitution has been too often violated, more particularly in the taxation field. Today, we realize that there is general dissatisfaction with regard to the constitution, and people want to revise the constitution, adjusting it to modern times, and to the priority needs of a vast and many-cultured country like Canada.

Mr. Chairman, before dealing with the bill itself, I must admit that I was surprised a short while ago—and I think it is the first time I heard such a statement on his part—to hear the hon. member for Red Deer (Mr. Thompson) advocate a system of joint income tax together with a joint sales tax. Of course these taxes would be collected by the federal government and redistributed on a per head *pro rata* basis to each province. This would work in the same way, as when the father of a family gives $2, $5, $10 a week to his son, and when the boy does not do well, or misbehaves, his weekly allowance is cut off. The same thing would apply to the provinces.

What surprised me most, was to see the hon. member for Red Deer trying to have the social allowances financed by such a tax, when the Social Credit members always advocated that social allowances were not to be financed by taxation, but by new credit represented by the increase in the country's wealth, in the real wealth and resources which may exist therein.

I was listening to the hon. member for Burnaby-Coquitlam (Mr. Douglas), touching lightly on the topic of debts, stating that it was a good thing to get into debt, that it was liable to develop the economy.

On the contrary, I believe that indebtedness does not help to develop the economy in a country, but brings about crises which future generations have to bear, such as economic depression, inflation, deflation and the unemployment which prevails today.

It is because previous generations got into debt that the federal government has to pay this year $1,080 million in interest only on its debt. Second, it is for that reason that there is an outflow every year of $1,200 million going to foreign countries to pay profits, dividends and interests earned because the Canadians themselves turned up their sleeves to develop their country.

That is what you get for running into debt. That is the result of getting into debt. It could perhaps be compared to a blood transfusion given on the battlefield to a soldier who, nevertheless, will need an operation. Or it could be compared to the man who just had a heart attack; if he is given a shot in the heart, he can be revived for a few minutes, but, after a short while, everything will have to be done over again. Now, old debts are the direct cause of the financial crisis we are facing today.

We borrow money to build a bridge. But when the cost of the bridge in material and labour is paid, including the fees of the engineers and architects, we still have to pay the finance controllers twice that amount in interest, while those people have not dug one shovelful of earth or sunk one nail into that bridge. Over a period of thirty years, the interest doubles the cost, after the materials and labour have already been paid for a first time. That is what is entailed by continual borrowing.

If you borrow $1,000 you have to pay back $2,000. When the people who create and control credit lend $1,000, they claim $2,000 and $3,000 in return.

In fact, Aristotle, the greatest of all Greek philosophers and perhaps the greatest of all times said that money does not reproduce itself naturally, that it does not procreate. When you borrow $1,000 from a source of credit, you should not be expected to pay back $2,000 because money does not reproduce itself naturally, it does not procreate. Money will bear fruit only when man gets into the picture to exercise his control and create new money. When a finance controller creates $1,000 to lend that amount to the government, the latter does not create another amount of $1,000 even though the total repayment will be $2,000.

I wonder how it is that a socialist such as the hon. member for Burnaby-Coquitlam could accept that the government financing be done by private enterprise.

How does it happen that socialism, represented in this house by the hon. member for Burnaby-Coquitlam, could suggest that some individuals, some large trusts, some big financial interests he denounces by his speech but supports by his suggestions, finance what should be sovereign, that is the government.

How does it come about that it is an accepted fact that some rich individuals pocket tremendous benefits—$1 billion 80 million this year only in interest—at the expense of the government? Does that mean that financial interests, those who create money, bankers have more power than the government? If the Minister of Finance (Mr. Gordon) and the hon. member for Burnaby-Coquitlam admit that, I think they should be ashamed of it, since they are members of a government that accepts that a few powerful individuals who have the privilege of creating money should have even more power than the government.

Mr. Chairman, we cannot accept the fact that a few individuals, enjoying extraordinary

privileges, make millions of dollars at the expense of the sovereign state of Canada and of public bodies.

A few moments ago I heard the hon. member for Burnaby-Coquitlam say that economy had to be developed. I agree that economy must be developed. But which sector of the economy?

Economy is a general term. If we wish to develop a general field, we must first of all go into its specifications. One always proceeds from the particular to the general when generalizing, because there are three fields in the economic sector: production, exchange of goods and consumption. Now which of those three fields needs to be developed and improved in order to expand the Canadian economy?

Is it production? Complaints are made because warehouses are overflowing. We deplore the fact that warehouses of co-operatives are full of butter which has to be converted into butter oil in order to be sold abroad, because there is a surplus. In Quebec, certain shoe manufacturers can only keep their employees working three or four hours daily. Why? Because they have too many shoes in stock. The same situation applies to clothing manufacturers. House builders complain that construction is decreasing. Why? Because demand is decreasing.

We can produce in quantity and in quality more than is necessary and I challenge anybody in this house to prove otherwise. We are able to produce in quantity and in quality enough to feed, lodge, dress, in brief meet all the needs of Canadians and of the people in South America. Thanks to its production potential, Canada can be at the present time the granary of the world.

If there are complaints, it is not because we do not produce enough, but because we are unable to sell our production. As a matter of fact, just go and ask farmers who leave their farms because they cannot sell their products, whether they can produce. Such is not the problem.

If, at the time of Louis XIV, somebody had told a shoemaker who used to cut the hide, to sew and polish the shoes and to sell them himself, that in 1964 two men and a machine would be able to make a hundred pairs of shoes per hour, but that the problem would be how to sell them, I think that the shoemaker of the 17th century would have thought: they are crazy if they cannot sell the shoes. I need a great deal of time to make them, but when the time has come to sell them, there is no problem at all.

[Mr. Grégoire.]

Three hundred or 400 years ago, there was a production problem in Canada, but this is no longer the case. There is nothing wrong today in Canada with the production sector; it is in the sector of the exchange of products that there is something wrong. No means have been found to find a market for or to distribute products, in brief to channel the production to the consumers who need it. We can only do a part of the job, but not the rest.

It is somewhat like the Quebec bridge, a tourist attraction. Thirty years ago, considering the slow speed of automobiles and the fact that there were not too many on the road, the Quebec bridge did not have to be very wide. However, as the speed and the number of cars increased, we said: Automobiles should get across faster, so the bridge was widened.

The same thing can be said about our economy. On one side of the ditch you have the producer and on the other side the consumer, but the bridge connecting the two, that is the monetary system, is not wide enough for all products to go from one side to the other. There is only one solution and that is to widen the bridge between the two. But our economists have not yet realized it; they are still advocating the system of 1800, the monetary system which was in force at the time of Napoleon. They have not understood the modernization of the means of production. Science has developed automation to a point where it is creating problems—

The Chairman: For a few minutes, I have been listening with great interest to the hon. member, and I am asking him whether he would be kind enough to tell me in what way his remarks, at the present time, refer to the resolution which is now before the committee and which deals with fiscal arrangements between the federal and provincial governments.

Mr. Grégoire: It is easy to make the connection, Mr. Chairman. The Minister of Finance claims that he will settle everything with taxes. That is why he is bringing in fiscal arrangements, in other words, that is why he is keeping taxes.

On this side we claim that taxes will settle nothing at all. That is crystal clear, Mr. Chairman. You can see for yourself at the end of the year that the amount taken out of your salary as taxes does not settle the problem. On the contrary, it makes you poorer. It is the same thing for all those who are here.

We say that taxes will not settle the problem, but another monetary system.

The Minister of Finance introduces fiscal legislation. We say to him: Look elsewhere to settle the problem. It seems to me that, by proposing another solution to the Minister of Finance, I am remaining within the limits of the subject, since I am helping him to solve his problems.

Mr. Chairman, see what is happening at the present time. We hear about fiscal arrangements between the federal and provincial governments. In other words, the Minister of Finance in Ottawa and the minister of finance in the province of Quebec or the province of Ontario will quarrel to know which one will take the largest amount out of the citizens' pockets. That is the stake.

We say: Do not go and get more, it is not the way the problem facing Canadians and Canada is going to be settled but rather by trying to put more money into the Canadian people's pockets so that they may buy what is produced in Canada.

It is simple, Mr. Chairman, and I believe that my remarks were related to the subject matter of the resolution.

Mr. Chairman, what is the result of levying taxes? The purchasing power of the people is further reduced, they cannot buy the Canadian production, which triggers an economic crisis. Instead of levying further taxes, let us expand our monetary system in accordance with our capabilities and the wealth of our country. Then, we shall be able to put an end to the crises confronting us.

We seem to overlook one thing, and that is that taxes make one poorer, while debt-free credit makes one richer.

A while ago, I heard the hon. member for Burnaby-Coquitlam expounding an idea dear to the heart of the Minister of Finance —they must have studied their economic system at the same school—when he said: the central government must control taxation to be in a position to deal with major inflation and deflation crises. Well, Mr. Chairman, I maintain that taxes have never brought about inflation or deflation, that is to say, they never succeeded in controlling or providing a cure for inflation or deflation. On the contrary, they brought about inflation, the devaluation of the dollar, and deflation, by increasing prices.

When the Minister of Finance imposed a new 11 per cent tax on building materials, we saw building costs rise, at least as regards the purchase of materials, by 11 per cent. Therefore, prices have gone up and this is called inflation.

Who caused inflation in that case? It is not Social Crediters, because they did not impose any taxes, but rather the Minister of Finance. Afterwards, the Minister of Finance and the Minister without Portfolio, who is not here tonight, cry out: Social Credit means inflation. They are the ones who bring about inflation, however, by increasing prices with their taxes.

At the present time, 46 cents out of every dollar spent or earned represent taxes, that is the total of federal, provincial, municipal and school board taxes. This means that prices are increased by 46 per cent because of taxes.

That is what we call inflation, Mr. Chairman. Yet, there are those who claim that by controlling taxes you can control inflation. That is not so; it is only if you control the fiscal system and reduce taxes that you can cause prices to go down. Taxes boost prices and devaluate the currency.

Mr. Chairman, there should be no more quarrels in Canada as to who should get the largest share of taxes; instead, we should strive to set up a new monetary system which would make more sense, be more logical and be based on the realities, the potential and the wealth of the country. When Canada has such a monetary system, that is a system which takes into account not only figures but also the realities, the potential and the natural resources of the country, it will be able to face any crisis.

We never had any genuine depressions in Canada. The 1929-39 and the 1957-58 depressions were not genuine. They were intended by man and by finance, and they were borne by the government, because our governments did not know better.

There was no shortage of goods; potatoes were still growing in fields, industries were operating, means of transport were still existing and developing; businesses were going on more numerous than ever; labour was more abundant than ever; there was no shortage of means of production, of transportation, of sale or of publicity. There was only one single depression: The depression of purchasing power.

Canadians were ready to work in industries to produce the necessary goods but, at the same time, they could not buy their products. Such was the depression which we had, a depression intended by man to make purchasing power scarce in spite of an abundance of goods and wealth.

To be rational, a monetary system should be able to meet all the country's require-

ments and develop all its possibilities, without our having to call upon the monetary system of other countries.

We should have in Canada a monetary system capable of satisfying all Canadian needs, without being obliged to ask for credit from other countries.

Instead of raising taxes, of quarrelling over who is going to tax more than the other, instead of increasing taxes, we should see to it that consumers have enough purchasing power to buy what is being produced. That is simple, is it not?

[*Text*]

Mr. Knowles: I wonder whether the hon. member would permit a question?

Mr. Grégoire: Certainly.

Mr. Knowles: In view of the hon. member's criticism of taxation as a method of raising money to meet social needs, would he explain the question which is on the order paper in the name of his leader, the hon. member for Villeneuve, question No. 824, in which he asks what it would cost to pay old age pensions of $100 or $150 a month at age 65 or at age 70 and then asks this question:

> By what percentage would income tax and corporation taxes have to be increased in order to cover these expenditures each year?

Is the hon. member for Villeneuve indulging in some sort of heresy?

[*Translation*]

Mr. Grégoire: Mr. Chairman, it is easy to answer that question. The hon. member for Villeneuve was intelligent enough to realize that until we occupy the treasury benches, and I am sure it will not be long, we must try to—

[*Text*]

Mr. Knowles: But the present Minister of Finance voted for the hon. member's kind of money when he was on this side of the house.

Mr. Grégoire: I know, but he was only talking at that time, with no action. That is the difference.

[*Translation*]

In fact, the hon. member for Villeneuve realizes that as long as the government will not make up its mind to apply the monetary system of Social Credit, it will have to levy taxes and the hon. member for Villeneuve would at least cope with the most urgent needs, that is, see to it that our older citizens receive an adequate pension earlier because we now realize that when that pension is granted at 70, it is too late.

[Mr. Grégoire.]

When the Social Credit come into power —and it will not be long, I can assure the hon. member for Winnipeg North Centre— it will then adopt social security measures which are not based on taxes but on the natural resources of the country.

Instead of paying $1,080 million per year of interest to a few bankers who issue Canadian money, we shall see to it to give this money to our older people in old age pensions. Instead of paying $1,080 million every year in profits, dividends or interests to New York, Chicago, London, Paris or Brussels investors who live comfortably in their own country from the development of our natural resources, a Social Credit government will see to it that this money is paid in Canada, paid to Canadian children as family allowances, scholarships and school allowances. This will be much more logical than what is going on at present.

I think that a government which allows the product of the work and sweat of the Canadian people to go and enrich people from other nations instead of turning it over to the young mothers of our Canadian families, to our senior citizens who need it for medical purposes, I say that the government should be ashamed and that it is disgraceful on its part. The Minister of Finance may be a good accountant but he does not know how to reckon when it comes to meeting the needs of our Canadian families and our elderly people.

It is a shame, it is ridiculous and illogical. This is the most stupid type of administration, when we see that people who have never lifted a shovelful of dirt in our mines, make profits. Why? Because those people enjoy privileges.

All they have to do is to take their pen, create money and lend it to the government for the development of our natural resources. Why could the government not do that? Why could the government not do what some bankers are doing elsewhere?

But, I am asking the socialists who want the state to dominate and control the economy of the country, why are you accepting the fact that a few individuals control the most important sector of our economy, that is the financial or monetary system? I admit, of course, that the government, through the Bank of Canada, controls legal money. The government is still having "Bank of Canada" printed on the bills; they still have the picture of the Queen on them and are signed by the governor of the Bank of Canada—

[*Text*]

Mr. Knowles: Will the hon. member table the document from which he is quoting?

Mr. Grégoire: I will send a photostat.

[*Translation*]

But the other 92 per cent of the money in circulation in Canada is controlled, not by the government, but by the Canadian chartered banks which, under the law, have the privilege of creating 92 per cent of the money when they have 8 per cent of legal reserves.

The hon. member for Winnipeg North Centre seems to be satisfied with such a situation. Yet, I know that the socialist party once enacted legislation to nationalize the banks. If they nationalize credit at the same time, that is fine; that will be a lesser evil because it is not pens, offices and bank buildings that must be nationalized but a lot more than that. It is the privilege to create credit and control its volume, the most important and far reaching privilege in the world. When one controls credit in a country, one also controls production. That is easy to understand, it seems to me.

Instead of taking that privilege away from them and turning it to the advantage of the Canadian people, the Minister of Finance—

[*Text*]

Mr. Knowles: That is what was said by Mackenzie King.

Mr. Grégoire: Right Hon. Mackenzie King changed the small five cent coin for the large nickel. That is all he did, and that was his answer for the improvement of the monetary system.

In 1934 and 1935, when hon. Mr. Bennett and his friends were in office, they established the Bank of Canada that took over the control of 8 per cent of the currency, whereas the other 92 per cent remained and still are in the hands of a few bankers. That is the most powerful privilege, and we leave it to them without a word.

If, instead of always taxing the people, the Minister of Finance took that privilege away from a few individuals, he would have a much greater source of income than what he gets from taxes. He could increase family allowances without even increasing taxes. It would be the same for old age pensions. But no, the Minister of Finance keeps on with the old system. He reminds me of people who stick to an old monetary system going back, as I said a while ago, to the Napoleonic era. Indeed, he reminds me of a farmer coming to Ottawa with his ox, his cart, and a cord of wood. The first thing he sees on arriving in Ottawa, like in all other municipalities, is a sign with the words: Speed 30 miles. The farmer then turns back, saying to his ox: Come on fellow, you are unable to do that.

The Chairman: I regret to interrupt the hon. member but his speaking time is up, unless he has the unanimous consent of the committee to carry on his remarks.

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Grégoire: Mr. Chairman, I will be finished in three minutes—

An hon. Member: Very well.

Mr. Pigeon: Provided it is three minutes only.

Mr. Grégoire: Mr. Chairman, I remind you, and even if the hon. member for Joliette-L'Assomption-Montcalm insists on saying no, in which case I would resume my seat, and will say nothing else—but I want to remind you that the hon. member for Burnaby-Coquitlam (Mr. Douglas) and Red Deer (Mr. Thompson) also had the privilege of carrying on without anyone begrudging them three more minutes, and we were the first to agree that they should carry on their remarks.

The Chairman: The hon. member will admit that if previous speakers carried on their remarks after their time was up, they did so with the unanimous consent of the committee. Of course, the Chair is at the entire disposal and service of the committee, and if he has the unanimous consent, the hon. member will be allowed to carry on his remarks.

Mr. Pigeon: Yes.

An hon. Member: No.

The Chairman: Order. The hon. member has not the unanimous consent.

Mr. Grégoire: Who said no, Mr. Chairman? I did not hear a single "no".

The Chairman: Has the hon. member the unanimous consent of the house?

Some hon. Members: Yes.

Mr. Ricard: Mr. Chairman, I objected to the hon. member keeping on with his remarks for the simple and only reason that we have been listening for at least half an hour to an absolutely irrelevant speech. That is the reason why I object to his continuing to speak in the same vein.

Mr. Grégoire: Mr. Chairman, as I must have the unanimous consent of the committee to keep on with my remarks, which I did not get, I will resume my seat. However, I would point out to the hon. member for St. Hyacinthe-Bagot that it is mean on his part, when the other parties have had the privilege to continue their remarks. In the circumstances, I shall say no more rather than continue to speak to numbskulls like the hon. member for St. Hyacinthe-Bagot.

I would as soon resume my seat than to speak before empty heads.

Mr. Ricard: Mr. Chairman, I rise on a question of privilege. I appreciate that—

Mr. Grégoire: Let him speak, he has nothing else to say.

Mr. Ricard: —the argument of the hon. member was so weak, he had to resort to insults. That is peculiar to him, anyhow.

The Chairman: Order.

Mr. Grégoire: My remarks must have been to the point because the hon. member has shown a meanness which he did not show anyone else.

The Chairman: The hon. member for Edmonton West.

[*Text*]

Mr. Lambert: Mr. Chairman, I always enjoy listening to the hon. member for Lapointe because it offers an exercise in seeing just where he might be relevant. Tonight I think he mentioned the name of the Leader of the Opposition, the name of the hon. member for Burnaby-Coquitlam, the hon. member for Red Deer and the Minister of Finance, but not once did he refer to the resolution or its contents. The resolution which is before us tonight is much like an iceberg, but I do not know that the Minister of Finance has that much sang-froid. If you look at the resolution on the order paper it is a simple thing but one which certainly covers much more than is indicated on the surface. We found this to our surprise the other night.

I was particularly interested in seeing the casual attitude the government adopted in putting this resolution in the order of business that had to be dealt with on the basis of urgency before a certain time. At that time the government did not disclose just how much this resolution covered. Certainly this is not in keeping with the urgency of business, when we realize that this afternoon it was disclosed the other house will not be called together until July 15. I should like to underline the remarks of the hon. member for Winnipeg South Centre when he was referring to the great concern of the Minister of National Defence about the passage of a certain bill on Monday night, and then we find it will not even come up for consideration in the other place for nine days. I believe, therefore, we must look at this matter with some care.

When the minister began his remarks the other night he came rather close to launching himself as he did on his first budget, but fortunately the hon. member for Ontario brought him back down to earth. The minister mentioned that there was closer consultation in the past year with the provinces, and I would say to him there was closer consultation with the provinces whether or not the government wanted it. We recall the rather hurried conference with the provinces with regard to the municipal loan fund that ran into a blank wall last autumn. Then we have the Canada pension plan, the first version, discussed in November when other matters were discussed with the provinces. This conference was resumed on March 31. Then we had that famous or infamous rump conference, when we understand that some ministers were going in by one door and others were going out by the back door, the one party not knowing the other party had been there before them.

This resolution covers at least seven items. The first is an increase by 25 per cent in the share of the estate tax. This was the result of the conference on November 26 last. Then there is an increase in the abatement on personal income tax by 2 per cent each year for the fiscal years 1965-66 and 1966-67, bringing the new formula up to 24-9-75. Now the equalization is to take into account this abatement, but as the hon. member for Burnaby-Coquitlam indicated this afternoon we would like to know from the Minister of Finance why the 25 per cent increase in the estate tax is not included in the equalization computation.

Then the third item was the one year option for determination of equalization rental applicable in the provinces of Saskatchewan, Manitoba and British Columbia for the years 1957 to 1961-62. This is giving statutory enactment to a practice that has been in existence. Then there is the item dealing with what this administration considers to be the legal interpretation of term 29 of the terms of union with Newfoundland. The former minister of finance announced

that the sum of $8 million would be payable to the end of 1967, that it was a terminable provision. This present administration could do nothing else but satisfy the protestations and the stand taken by the Minister of Transport when he was in opposition. Otherwise it would have been a complete reversal in thinking. I do not believe this government felt it could reverse itself once more because it has done so much of this in the last 15 months. Then the fifth item concerns provincial taxes that have been payable by crown corporations, and there is a payment to be made in lieu of two years collection of taxes by the provinces under this particular provision. I think this is quite fair. In making this provision for the provinces to gain these funds there certainly was a commitment by the previous administration. However, as the hon. member for Red Deer indicated tonight, it still does not remove the sort of odd position that the provinces of Alberta and Manitoba find themselves in, since they have no sales tax.

The sixth item is a 3 per cent abatement of personal income tax in connection with youth allowances, and the seventh is the equalization payments up to the level of the top two provinces, subject to the natural resource revenue deduction.

I thought the minister made a rather plaintive justification of his stand with regard to deficits, and it is very interesting to see him take this position. If we go back over a few years, we had a continuous litany of criticism from his colleagues when they were in opposition, concerning the deficits incurred by the previous administration. This afternoon the Leader of the Opposition indicated quite clearly how those deficits came about, and if it had not been for the greatly increased payments to the provinces, whether by outright grants or conditional grants, there could easily not have been any deficits. The Leader of the Opposition referred to these payments, but I would particularly refer to one item, the Hospital Insurance and Diagnostic Services Act.

In 1957 when the Conservatives took over, this act was on the statute books, but frankly it was a dead horse. There was a provision, if I recall aright, that before the scheme could become operative six provinces, or a combination of provinces having a majority of the population of Canada, had to sign agreements with the government of Canada. We know what the result was. Certainly the Secretary of State for External Affairs, who had been the former minister of national health and welfare, could readily see his greatly vaunted piece of legislation was going to remain inactive on the statute books unless certain changes were made.

Those changes were made and soon we had agreements with all the provinces. Today the cost to the crown of Canada under that act is approaching the $400 million mark, and this is something that is not recognized by a lot of those people who comment on federal deficits, and what the administration of this part of government means.

I fully realize and agree with the Minister of Finance on the limited scope he has in dealing with deficits. Now he has recognized, by the action he and his government have taken, that there will be deficits, and that each time there is an increase in payments to the provinces the deficits are going to mount and mount. There is no magical way out of it. Certainly the growth in the gross national product on a standard taxation scale is not going to take care not only of the deficit that has been incurred but also of every future occasion on which the Minister of Finance may be forced to give way more and more.

The Minister of Finance has recognized this principle and therefore put to naught all of the criticisms mouthed by everyone on this side of the chamber in those years, criticisms that the deficits were due to maladministration by the previous government. I have always thought there was a great deal of hypocrisy in what was said at that time. The minister was part and parcel of that when he was over on this side and he went through that one great exhibition of voting for debt free money. The minister is going to have to increase taxes or he is going to have to go along with the principle that if he is to give more funds to the provinces he will have to shed responsibilities. He cannot get away from it if he tries for a balanced budget or a reduced deficit.

Let me now comment on the various items that appear in this resolution. I, along with the hon. member for Burnaby-Coquitlam, would like to know why the 25 per cent increase in the estate tax provision was not included in this equalization formula? I rather suspect that again this was part of the tailoring of the end product, that the government wanted to achieve a certain result and it whittled away here and there, and adjusted and patched until it got what it wanted.

So far as the second item is concerned, the 2 per cent increase in the abatement for the

two fiscal years ending the present federal-provincial fiscal arrangement, I recall that in 1961 when the then minister of finance indicated to the house the terms of the new accord, which would come into effect on April 1, 1962, where there had been made this additional provision of an abatement of 1 per cent per year to the provinces in the personal income tax field, with the right of the provinces to enter that field as it was vacated by the federal government, there were cries of anguish on this side of the chamber, criticizing this forcing of the provinces to bear the responsibility for taxation. But I think it was being realistic that, if the provinces wished to spend the money, they should have the responsibility for the levying of the necessary taxes.

Now, not only has the present administration accepted this as it stood, but it has gone even further and granted a 2 per cent additional abatement in the two years. Therefore once again their criticisms in 1961 while on this side of the chamber were quite hollow. I expect this is a case of what was then a vice has now become a virtue.

I agree with the principle that if the provinces wish to spend they must bear their part of the responsibility for taxation. Unfortunately this is not recognized enough among those who would comment on fiscal arrangements or on the fiscal programs of the federal government. When people talk about financial irresponsibility on the part of the government the fault is always visited upon the head of the federal government. But no one seems to take any cognizance of the fact that the tax dollar that is foolishly spent by the province or municipality is just as foolishly spent as that one which is allegedly misspent by the federal government. It is still the taxpayer who must pay up that dollar. I think our financial editors, writers, and those who would comment on this scene, if they recognized this and put a lot more emphasis on it. would place the responsibility for a good deal more of the burden of taxation where it properly lies.

Each level of government has its own degree of responsibility in keeping its house in order. There is no good in saying that the federal government is entirely to blame for federal deficits if provinces will not wisely spend their money. They must exercise the same degree of caution. I am not saying that the provinces are spending money like drunken sailors, but I think it must be accepted as a cardinal principle that they too must have that same degree of responsibility for wise financial spending as does the federal government.

[Mr. Lambert.]

I am going to turn now to the 3 per cent abatement with respect to youth allowances. On Tuesday we passed the bill providing for these allowances, and it was indicated then that there would be a 3 per cent abatement with regard to personal income tax for those provinces which, by the time the bill passed on Tuesday would come into force, had also brought in a similar provision. At the moment there is only one such province but conceivably other provinces could do the same. But I would say this, Mr. Chairman, that we dealt with this provision on Tuesday because the Minister of Finance and the government had gotten themselves into an impossible position at the time of the budget.

We have again an example of the so-called implementation, with a great fanfare, of one of those electoral promises. There was a glib statement that family allowances would be paid in respect to persons aged 16 and 17. But, like so many other government provisions we have seen in the last 15 months, the whole thing had not been thought out far enough. It became patently clear in the budget debate and in the debate on the resolutions following the budget that there would be a curious inconsistency in the income tax provisions as far as the exemptions allowed to parents of children not receiving family allowances and those receiving family allowances were concerned. The government realized that politically they were in a real jam and that they were also in a jam administratively.

I think the Minister of Finance in his remarks would do well to say to the house: We really put our foot in it that time. Because that is precisely what happened. Well, a workable solution was found and I think it could have been found earlier if a little more foresight had been shown. This is the penalty of rushing in with a half thought out idea. We saw a lot of this last year and I would have thought by now the government would have learned its lesson. Obviously that is not the case.

Then we come to the equalization formula. As the Leader of the Opposition pointed out this afternoon, we again find a curious inconsistency. In 1957 it was provided by agreement that the equalization payments would be made up to the level of the two most prosperous provinces. In 1961 there was a change. It was decided to bring all provinces up to the national average. Even in 1958 the Liberal party said it would go to the level of the richest province. Were they trying to buy someone with a promise of that kind?

They reaffirmed it in the famous Liberal rally of 1961. But what did we get? We are back to the level of the two most prosperous provinces. They had an opportunity here of going to the level of the richest province. Instead they have gone back to the two. We want to know, what is the explanation. Why has there been this great difference between a Liberal promise and the realization of that promise? I suggest we should be told the reason.

Then we have a variation on the equalization terms by reason of a change in the deductible item of natural resource revenue. I would think that the minister would have been a great deal fairer the other night if he had indicated not only the change in the per capita payments or the increase in the per capita payments under the equalization formula, but also the change which had been brought about by the new formula affecting natural resources. True enough, a natural resources revenue formula was brought in for the first time in the 1961 agreement. At that time it was 50 per cent of the three year average of natural resource revenue. This was added to the revenues attributable to the three standard taxes. It meant of course that there were some "have" provinces and some "have not" provinces with respect to natural resources, and I must say that coming from Alberta I felt at that time that some injustice was being done to the newer provinces which were developing their resources at a much greater rate than were some of the older provinces of Canada.

If we look back to the *Hansard* of 1961 and the tables which appeared at pages 2265, 2266 and 2267 of volume III of that year we shall see what was the effect. As a matter of fact, the hon. member for Red Deer tonight pointed out that the average value of natural resource revenue for the province of Alberta amounted to $94.08 compared with a few cents in some provinces, and a national average in the neighbourhood of $7 or $8. In 1961 the Alberta average was $112.

What I object to in this computation of natural resource revenue is that it is a global amount and that it confuses capital and revenue, particularly in the case of Alberta. Incidentally, this consideration is likely to become of increasing importance to Saskatchewan. In rough figures, Alberta obtains from its oil resources something like $140 million annually. This is one of the figures which are used in arriving at the total natural resource revenue for the province. But this is wholly wrong, because only around $40 million is true revenue in the form of oil royalties. The rest of it represents a cash consideration for the alienation of those assets. A long term oil lease is the equivalent of selling an asset. It involves a nonrecurring item and, as the minister knows, a nonrecurring item is not really an item of revenue; it is akin to the disposal of a capital asset. We know that a man who starts living it up by gradually spending all his capital assets soon finds himself with his pockets turned inside out. It is indeed fortunate that the province of Alberta has a lot of oil resources.

I know that the provincial administration has itself contributed in part to the difficulty in which the province of Alberta now finds itself in this respect, because in the development of their own programs they have treated these capital moneys, which belong to future generations as well as to our own, as if they were revenue, and embarked upon programs based upon this inflow of capital moneys as though it was a perpetually recurring item. It has just been fortunate that over these past years it has continued at roughly the same figure. But there'll come a day of reckoning. We could wake up to find the United States changing its continental oil policy, with the result that Alberta oil production will just plummet. Then where will the profits be? Those revenues will be well down, both as to royalties and as to the inflow of capital. Then we will get, of course, a sales tax or something else as a replacement. I would suggest to the Minister of Finance that there must be a review of this situation, because it is wrong at this time to penalize provinces such as British Columbia, Alberta and Saskatchewan and, I hope, some others who may find new natural resources for which there is a market and which will bring in a high return on capital account.

The province of Ontario and the province of Quebec have vast natural resource development, but they have been in existence for some considerable time and the annual increment of new resources development is small. Thus they are limited to revenues; and what revenues?—stumpage dues and whatever small revenues they get from mineral licences or minor royalties in mineral developments. Therefore the inclusion of this inflow of capital funds penalizes these new developments in the western provinces. I think it is wholly wrong that capital moneys should be included in natural resources revenues. I am not only speaking of Alberta;

I am talking on behalf of all those other provinces who may be thus affected.

We get a completely disproportionate picture with Alberta, which can use these funds just as much as anybody else, and is told, "Oh, well; you have had those resources. You are developing them now, so you are going to be penalized." I think this is wholly wrong. I would like the minister in his reply on this proposal to give us a table showing the effect of the 1961 formula of the 50 per cent of the three year average of natural resources revenue, and how the present and proposed formula is and will be affecting the provinces, because I am sure there are some rather startling changes. I want to know, how does it affect British Columbia, Alberta and Saskatchewan particularly, because I think they are the ones that are getting hurt.

I would also reiterate the remarks made by the hon. member for Red Deer with regard to the Hospital Insurance and Diagnostic Services Act and the deterrent fee. I would also put in a special plea, as I have in previous years, with regard to the province of Alberta and the income tax that is levied on public utilities. I think this is a straight discrimination against a number of companies within one province and it is absolutely unfair even for a new utility to start out facing income tax in competition with a publicly owned utility that does not pay income tax.

In conclusion I would say that the Leader of the Opposition this afternoon put forward certain proposals for a complete fully-fledged conference of dominion and provincial representatives to discuss the realignment of responsibilities with regard to duties and the tax fields that must be allocated to fulfil those responsibilities. I think this is highly overdue and I would say, as did the Leader of the Opposition, that this should not be a two or three-day conference; they must be full-blown, well worked up proposals, because our biggest problems today in the relationships between the federal government and the provinces are in the economic field. So many of our ills, in those parts of the country where there is some unrest, stem from economic conditions and the other factors are merely side factors which unfortunately spill over and blur the picture.

We will be looking forward to seeing what actual legislation the minister intends to bring forward, but I would like to have, in particular, the breakdown with respect to this natural resources revenue and how it will affect the provinces, compared with the 1961 formula.

The Chairman: The hon. member for Queens (Mr. Macquarrie).

Some hon. Members: Hear, hear.

Mr. Macquarrie: Mr. Chairman, I thank my colleagues for their kindness. I am happy to have an opportunity to say a few words in this, what has been up to now, most interesting debate; a debate of good humour, good sense and much good thought. It is a vital subject, that of fiscal relations between the provinces and the central government. I was tremendously impressed by the far reaching, very sound suggestions made by the Leader of the Opposition this afternoon in dealing with this important matter at this very important time. I think he wisely invited us to look to our history. Certainly we Canadians have never been overly interested in our history. Heaven knows, we have not glamourized it. We have seemed to avoid, until recently, very much emotionalism about any symbol of history in so far as our own background is concerned. We are far behind the United States in this regard. I suppose, I, almost instinctively would, like Pavlov's dog, salute the American flag if I ever entered an American classroom, since I was so well indoctrinated on how to regard the flag when I spent a year at school there many years ago. I think of George Washington's certain characteristics, for these too were well ingrained in those who studied in that country.

At this late hour I am not going as far as the Leader of the Opposition in any historic recital, but if we are talking about confederation we want to start at the beginning. That would bring us to the very place I have the honour to represent in this chamber, the birthplace of confederation, the city of Charlottetown, the place where the great idea was born. I am happy that in recent years we have had some of our Canadian scholars direct their attention to this important conference, which was not fully reported through any such reportorial device as *Hansard*. Professors Creighton, Waite and Whitelaw have written interesting, interpretive, very fine works on this important stage in our development. It was essential in 1864 to draw together, to shake off some of the smallness of provincialism of an earlier stage. It was necessary to rise out of a sea of troubles; some of them were political troubles, some social troubles, and a great many were economic. A quotation which the hon. member for Burnaby-Coquitlam made this afternoon was extremely

apt, when he said that when you heard a man say that he did not care for the money, it was the principle of the thing, it was really the money that he cared about.

There were long haggles in 1864 both in Charlottetown and Quebec, and in the three years between 1864 and 1867, about fiscal relations, money and the tax dollar, where it would come from and where it would go. This so-called rigid constitution of ours—I realize the British North America Act is only part of our constitution—has never been very rigid at all when it comes to financial matters. If you look at the document today you will find it is extremely different from what it was in earlier days. There have been encroachments, as they are called, by one government against another, although as was pointed out this afternoon not always has the extension of the dominion regime in the fiscal field been an encroachment. So often economic and social problems have become so vast that no level of government lower than the national one can cope with them. One thinks of what happened in the 1930's with regard to unemployment where the lower levels of government sought to deal with this blight on the life of our society.

I should like to say to the members of this committee that we in Prince Edward Island are this year very historically minded. We are celebrating the Charlottetown conference and we hope all hon. members will come and see the cradle of confederation. In fact, we have a rather ornate new cradle which has been built with direct assistance from all provincial governments and the dominion government—the fathers of confederation memorial building. We regard this as a valuable and agreeable exercise in co-operative federalism and we would like everyone to see it.

I remember in my first speech which I ventured to make in this chamber trying to lay aside the base canard that the people of Prince Edward Island in 1864 were very casual about the confederation conference. I knew that concept was wrong, and now we find the historians and archivists discovering that this was not the case at all. Indeed the fathers of confederation were well received, wined and dined; and even George Brown, who seemed to be regarded as a teetotaller in other parts of the country apparently shook off that characteristic in Prince Edward Island. The Canadians were well regarded and treated with respect.

Mr. Crouse: Did they have any sillabub?

Mr. Macquarrie: Well, whatever it was it was bubbling. In response to this hospitality the Canadians took over the conference, and the rest is a matter of history.

But they had many difficulties then, and no federation in the world has been without them. The host province found them so difficult that they had to stay out for quite a while. New Brunswick voted itself out and then voted itself back again. Nova Scotia tried to get out before 1867. They tried very hard to get out in 1867 and sent 19 members to the House of Commons, all but one of whom pledged to come to Ottawa to take the province out of confederation. I mention this because there are some among us in Canada who believe that the stresses and strains on confederation seem to belong only to this particular era. The Nova Scotians tried again in 1886 and elected a premier who would repeal, not prohibition but confederation. But he did not do this, and 10 years later he came up here and occupied the post of minister of finance in the Laurier government. No doubt that was an improvement in his status.

Even British Columbia, reluctant to enter, was anxious to leave. The Leader of the Opposition referred today to the confederation debates, and I am delighted that the queen's printer has again printed these in a handy volume. I find that some of the speeches made then are inspiring and some are not. Apparently many of the newspapermen, as omniscient then as their successors are now, were scornful of the level of debate and critical of the lack of accomplishment in the old legislature of Canada which in 1865 discussed this great question of confederation.

In Professor Waite's volume of selections from the confederation debates he writes about the evening in which the motion was passed, and there is something so Canadian about it all. He said:

> A violent snowstorm descended upon Quebec during the last days of the debate. The final day was March 10, and the debate went on into the small hours of the morning of Saturday, March 11. A vast lobby of members were waiting to vote; unable to endure any more confederation talk, they had eaten and drunk everything the house restaurant and bar could supply, and were lying about the ante-rooms and corridors of the house, impatient for the division bell.
>
> It rang at last at 4.15 a.m., and the members crowded into the chamber. The division on the main motion was 91-33. It was a huge vote: of a house of 130 members, 124 responded—
>
> As the Speaker left the chair members ingloriously indulged themselves in raucous cheering and singing; then, upon the early dawn of a clear,

quiet morning, they trooped wearily home to their lodgings. The convent bell across the St. Charles river was ringing five o'clock.

Yet those debates, if at times indicating that some members were less than enthusiastic, did indicate the desire to grapple realistically with the tremendous problems which united such a diverse group of people and political communities involved.

Since I started with Prince Edward Island as the historic origin of confederation I should like to come back to that province in the contemporary scene, not because it is the most important province—which it is—but because I think it represents a test case in this whole field of dominion-provincial relations. It is the smallest province. It is the one with the narrowest tax base. It has no oil, no gold, no copper and no uranium, even if you could sell uranium nowadays. The proportion of our budget which comes from dominion funds is higher than that of any other province. If I look to the statement of revenue and expenditure for the year ended March 31, 1963 I find that out of a total listing of ordinary revenue of $22,227,000, from the government of Canada comes the amount of $12,892,000. Therefore we must look to Ottawa, not primarily for spiritual leadership but for mundane and pragmatic reasons which are coldly fiscal. For many years we looked, but little saw and less received.

The story of Prince Edward Island's relations with Ottawa is a long one and one surrounded with much intensity, bitterness and immense disappointment. When the Leader of the Opposition today referred to that doughty warrior, the great premier of the 1930's, Dr. MacMillan, he very fully and fairly caught the spirit of our province. Later leaders like Mr. Matheson, the former Liberal premier, expressed themselves very candidly. As Mr. Matheson said, the St. Laurent government did not give us half a deal. There comes to every community, as often in the lives of individuals, a new era, a period of great satisfaction, a period of new opportunities. For us this came in 1957.

We who had been disappointed so long, we who had been troubled about the economic viability of our provincial communities, found that the government elected in June of 1957 moved not only with generosity but with alacrity, and in a matter of months we received through the Atlantic provinces adjustment grants funds greater than we had ever received before and increasing the total of our Ottawa contributions to unprecedented heights.

[Mr. MacNaught.]

I know that the Minister of Agriculture believes that statistics are for losers and I will be very sparing in the use of statistics. But one thing which is written large in Prince Edward Island is the contrast between the figure I shall quote for 1956-57 and that for 1962-63 in unconditional and conditional grants from Ottawa to Prince Edward Island. In the year 1956-57 the figure was $5,048,000 and after six years of Conservative administration the figure was $15,035,000, an increase of 300 per cent.

What has that meant to our small province? You have only to go there to see new roads, to see new schools, and if you were one of those who lived in that province you would sense a spirit of optimism, a new feeling of possibilities engendered and fostered by a new attitude in Ottawa and furthered by one of the truly dynamic and great provincial leaders that we have in this country, Premier Shaw.

What is the situation today? I look at the figures of the present Minister of Finance and in the table on page 5184 of *Hansard*, a part of his interesting statement the other night, I see that out of the first $87,479,000 under the proposed changes in the equalization formula and increased tax abatement my province will receive the princely sum of $553,000. One could say that Prince Edward Island was the Cinderella at that conference, but you would get no ball out of $553,000 nowadays. Rather our province was the Oliver Twist asking for a little more.

In stage two of these new levels of largesse I note that out of $106,662,000 Prince Edward Island squeaks out $678,000. The picture does not improve as I go down the page adding subtotal to subtotal because I find that out of $264,973,000 after the April, 1964 proposals, our province receives $1,621,000. This is most disturbing. We cannot threaten. We cannot coerce by saying that you will lose all the seats in Prince Edward Island. We do not have 75 or 83 or 85 seats. We have only four. But I will say to the Minister of Finance that no matter how sophisticated his formula, whether it is achieved before or after the event, no formula will work in this country which does not have as its essential ingredient a recognition of the tax ability and fiscal needs of the provincial communities making up this country. This is the essence of co-operative federalism.

Premier Matheson was very right when he said in 1957 that the province of Prince Edward Island would disapprove of any financial

arrangement based purely on theoretical calculations designed to meet only one purpose and not the actual financial requirements of the provincial governments. I quote Premier Matheson because of what he said about the former government prior to 1957. I agree with him. He was quite right. They did not give the province half a deal, and I am sorry that the government now in office has seen fit in this instance to revert to the former bad practices.

It is not at all a new thought that the country cannot be strong, cannot be prosperous, if there are parts of it suffering grevious inequalities, unable to provide services for their people at a level comparable to that of other regions in the country. As the late Mr. Norman McLeod Rogers once said, "A federation defeats its primary purpose if through its constitutional arrangements or through policies instituted by the national government it accomplishes the gradual debilitation of one or more of the provincial comunities of which it is composed". Unless some injection of a recognition of fiscal need and fiscal ability is brought to bear, I say to the Minister of Finance that the province of Prince Edward Island will be in a very precarious position. It is my duty to present this case to him and it is his responsibility to make provision for the weakest and the smallest in confederation, his fancy formulae to the contrary notwithstanding.

This is a principle which was well recognized not only in utterances but in action by the government which preceded the government across the way. The then prime minister, the present Leader of the Opposition, opened the dominion-provincial conference in November, 1957. Apparently November was not such a bad month that year although it was a pretty rough one last year. At that time he said:

> We believe that this federation cannot thrive in a climate of glaring disparities in levels and standards of service and development as between the several provinces from Newfoundland to British Columbia.

He said that; he believed that. He and his government acted upon it, and not only the Atlantic provinces went forward but no single province suffered as a result of new justice to the Atlantic region and to the other have-not provinces. This is leadership. This is co-operative federalism. This is the kind of responsible leadership we seek, that we call for. We cannot threaten. We can appeal for justice. We can appeal for a special look at the province of Prince Edward Island and at the Atlantic region generally. It seems to me that, of all, we are the ones to suffer most in this particular dispensation. I hesitate to use any word dealing with dispensing because there was so little dispensed, but I think that grammatically it is correct. We want a recognition of the needs of our provinces. This is a great country. Someone has said that no matter how bad the government the country is going along not too badly, and for that we are thankful. I think Canada will survive. I think it will flourish. I think that in a few years time it may perhaps take an extra spurt ahead.

However, we do not want to be left behind. The maritimes did not come into confederation because they loved Ottawa. In fact, what they thought of Ottawa is well recorded by Joseph Howe. They did not come in without making a sacrifice. No federation is made without sacrifice. It is, indeed, in the realm of sacrifice that we made our contribution. From the common strength of a united, prosperous country, we ask justice, we ask consideration of our problems and we point the present government to the clear pattern of its predecessor. They do not have to go back into dusty tomes. They do not have to call in consultants from Toronto or anywhere else. They can look at the record of the former government. They will see what can be done to strengthen confederation, to strengthen this part of confederation which most needs assistance.

The Chairman: Shall the resolution carry?

[*Translation*]

Mr. Martineau: Mr. Chairman, may I call it 10.30?

[*Text*]

Progress reported.

BUSINESS OF THE HOUSE

Mr. Churchill: May I inquire about the business for tomorrow and Monday?

Mr. MacNaught: Mr. Speaker, tomorrow the first item of business will be consideration of two items in the supplementary estimates, namely national defence, 56a and finance, L17a. If these items are approved by the committee, the house will be asked to approve the consequential resolution and pass the various stages of the bill in connection therewith. Then, we will consider main estimates, the departments of agriculture, public works and post office, in that order.

On Monday we will go ahead with the resolution we were discussing this evening.

PROCEEDINGS ON ADJOURNMENT MOTION

(Subject matter of questions debated under adjournment motion.)

A motion to adjourn the house under provisional standing order 39A deemed to have been moved:

NORTHERN AFFAIRS—REQUEST FOR STEPS TO PRESERVE HISTORIC ARTICLES

Mr. Erik Nielsen (Yukon): Mr. Speaker, just before 10.30 I was speaking with the minister of northern affairs, who I see is not in the house at the moment, so I must presume his parliamentary secretary has been asked to reply to the question I raised last Wednesday. I tried to ask on Wednesday what action the minister or his department was taking with regard to some 100 telegrams which had been sent to him by individuals and organizations in Whitehorse with regard to the preservation of one of the old river steamers there which is being retained as an article of national historic importance.

It might interest the minister to know that the Whitehorse chamber of commerce, through their own initiative and a committee set up thereunder, raised some $6,500 from the merchants and others in Whitehorse for the purpose of establishing the Robert Service park. By their own initiative, the citizens have converted this area into what is now an extremely attractive area for tourists, an ever increasingly important industry not only in Whitehorse but throughout the Yukon and elsewhere in Canada. The same group intends to devote their efforts now to restoring the steamer *Klondike,* if the minister and the federal government will approve the removal of it from its present site in the area which is just above the Robert Campbell bridge in Whitehorse.

The minister knows there was money in the estimates, just before the government changed, providing for the removal of these items of national historic interest, and that it is the intention eventually to establish this area as a park area in the city of Whitehorse. I believe the deputy minister has informed the Whitehorse chamber of commerce that the target date for establishing this park and the removal of the steamers is 1967, but it has been suggested by the chamber of commerce and other interested parties in city of Whitehorse that this is too late because, if the steamer were moved now by the government, in accordance with the plans made just previous to the change of government, then this very enterprising group, who merit a lot of credit, would be able to commence work on it immediately because they have just about finished their project on the Robert Service park.

Another suggestion made is that the $6,500 they raised should be restored to them so that they will have a sort of revolving fund for working capital. The minister is aware that there is a plan and provision is made in the estimates where 50 per cent of the costs of construction of camp grounds and picnic sites is borne by the federal government and 50 per cent by the territorial government, yet these enterprising citizens raised these funds on their own and established this park. Therefore there is greater justification in providing these citizens with the revolving fund for which they ask. It will be spent next on the restoration of the streamer *Klondike,* which will take this burden away from the federal government, a burden to which it was committed prior to the change of government.

The evidence of the concern of the citizens of Whitehorse and the Yukon generally is very apparent in the number of telegrams that have been forwarded to the minister and his officials. I would suggest that very serious and favourable consideration be given to the request that has been made of the minister, and that he might be in a position this evening to advise the people of Whitehorse and the Yukon generally, through the medium of his answer to my question, that he will be acting upon it soon, and acting upon it favourably.

Mr. J. N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, when we heard the question of the hon. member for Yukon (Mr. Nielsen) yesterday, it was posed in general terms about 100 telegrams from individuals and others in the Yukon concerning the preservation of historic articles of national importance.

The minister and myself, having travelled widely in the Yukon and knowing how many articles there are of national historic interest in so many quarters of the Yukon—in Dawson city and in Whitehorse itself—from the tenor of the question we were not aware at the time what the hon. member was driving at. Of course we had received telegrams concerning the boat in Whitehorse, and I am glad to see now that the hon. member has himself done some research and reduced the general question to a specific plea this evening.

Mr. Nielsen: Did you receive 100 telegrams about anything else?

Mr. Turner: We have constant correspondence with the Yukon on a number of subjects. I might say in connection with the restoration of this boat, one of the three boats which were donated to the people of the Yukon and the people of Canada in 1960, our western regional engineer, Mr. Tom Fenton, is today in Whitehorse looking over the situation.

I know that the hon. member for Yukon represents a resourceful people. Only two weeks ago when I visited the flood areas in Dawson city and Mayo I found them to be people who wanted to stand on their own feet and were quite able within their own resources to support themselves. I know they would want to arrange a method whereby they could share the cost of the proposed territorial park with the federal government and thereby the people of Canada as a whole.

This government, as was the case with the former administration, is willing and anxious to restore that boat. I would remind all the people of Whitehorse and of the Yukon that they should let the government know what their plans are for the development of the park. This commitment to the people of Whitehorse, limited as it is to the restoration of the boat, is the same commitment as the earlier administration made—no more and no less. We are in constant communication with the chamber of commerce of Whitehorse and look forward to their proposals for sharing the cost of the development of a territorial park against which the government would contribute the cost of restoring the boat.

AGRICULTURE—APPLICATION OF ARDA IN QUEBEC

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, yesterday, Wednesday July 8, the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) directed the following question to the government:

—whether the government intends to introduce, during the first part of the session, in case we have a vacation, legislation to reduce the cost of feed grains for eastern farmers, in view of the fact that Quebec's agriculture is going to the dogs?

The Minister of Forestry (Mr. Sauvé) replied to this question, as can be seen on page 5206 of *Hansard*:

Mr. Speaker, you might allow me to reply and say that we are now considering the matter. I think that next week, we will probably be in a position to announce a decision concerning the payment of trucking charges for feed grains, for all farmers in eastern Canada.

In that connection, I directed the following question to the Minister of Forestry:

Mr. Speaker, I should like to direct a supplementary question to the Minister of Forestry. Can he tell the house whether the studies in progress at present include the suggestion made by the Canadian Federation of Agriculture and the Catholic farmers union, regarding the setting up of a feed grain agency for eastern Canada?

Mr. Speaker, this government has been in office for 15 months already. Last year, on this side of the house, with the support of the agricultural organizations in the country, we called for the establishment of a feed grain agency for eastern Canada.

The government agreed that the agricultural committee would meet to consider this question. The committee sat until December 1963, on the understanding that it would resume its proceedings the moment the present session started.

Today is July 9, 1964, and the proceedings of the committee on agriculture, as regards feed grain, have not yet resumed. That is why I asked the Minister of Forestry, who is now responsible for the feed grain policy in eastern Canada, whether the current survey concerned the establishment of that agency, as requested for so long by the farmers and the agricultural organizations, as well as by several members of the house.

I would therefore appreciate it if the Minister of Forestry would tell the house, and also the farmers in eastern Canada, what progress has been made with that survey and whether the present government intends to set up, as suggested, a feed grain agency for eastern Canada.

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, on August 22, 1963, the Minister of Agriculture (Mr. Hays) announced that from October 15, 1963 to April 15, 1964, the government would pay accumulated storage charges with regard to western grain stored in authorized elevators in eastern Canada. This was the first concrete step to help eastern farmers with regard to feed grains.

At the beginning of last year's session, the committee on agriculture devoted several sittings to the problem of feed grains and, at the time of the adjournment, it was asked that the problem be again referred to the committee.

On June 24, the house passed a motion to refer to the standing committee on agriculture and colonization matters relating to the prices of feed grains.

Because the committee showed a great interest in the study of the problem concerning

the setting up of a feed grain agency, we thought that it would be wise that it should carry on with that work and that study in order to submit its recommendations as soon as possible.

I do not think that any legislation will be announced before the house adjourns for the summer recess since the Prime Minister (Mr. Pearson) has already explained clearly the government legislative program before resuming the flag debate. However, I said in the house yesterday that I thought it would be possible, probably next week, to announce a new policy regarding the payment of transportation costs, by truck, of feed grain to all parts of the eastern Canadian provinces as well as those of British Columbia.

It is well known that feed grains are delivered to ports along the St. Lawrence and the Atlantic and are shipped afterwards by railway cars. Now, I think that I will be in a position to announce that this grain may be shipped by trucks which will be subsidized to standardize the cost of feed grains everywhere in eastern Canada.

It will be an extremely interesting piece of legislation made possible by the civil service commission's appointment of Mr. Benoit Lavigne to the position of administrator of assistance to feed grain transportation, within the Department of Forestry, which was made public on June 13.

As the house knows, on March 5 I was entrusted with the application of that policy and I immediately asked the civil service commission to appoint a director. Since his appointment was announced on June 13, Mr. Lavigne, an economist in agricultural science from Wisconsin University, has been working for us in Ottawa where he has already prepared a brief and an order in council concerning the payment of trucking costs.

Mr. Deputy Speaker: Order. I regret to interrupt the minister but his time is up.

[*Text*]

TRADE—TOBACCO—STEPS TO DISPOSE OF SURPLUS

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, since about 18 months, the tobacco farm co-operative corporation of the Joliette region, St. Jacques, county of Montcalm, has a surplus of 1 million pounds of unsold cigar tobacco. What does the Minister of Trade and Commerce intend to do to sell that tobacco surplus, particularly on foreign markets? The co-operative bought that tobacco and paid the farmers. The only way to protect cigar tobacco growers

[Mr. Sauvé.]

of the province of Quebec resides in the revision of the Customs Tariff to partly control the imports of cigar tobacco of the kinds which can be grown in the province of Quebec.

Mr. Speaker, at this stage of my remarks, may I call the attention of the house to the fact that for the province of Quebec, the cigar industry is very important. Over 95 per cent of the cigars made in Canada are made in Quebec. It is estimated that manufacturers pay annually more over $5 million in salaries. Besides, the treasury of the province levies over $650,000 in taxes on the sale of cigars.

Besides those advantages—

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, could the hon. member identify the document he is reading from?

Mr. Pigeon: Mr. Speaker, I shall do so at the end of my remarks.

Mr. Turner: We are enormously interested in that.

Mr. Pigeon: Mr. Speaker, I suggest to the hon. member that he be patient.

Besides those advantages which contribute to the prosperity of the nation, the central government gets annual receipts estimated at $6 million from the cigar industry made up approximately as follows: $1 million in excise duties; $3 million in excise tax; $2 million in sales tax. To these amounts must be added the customs duties collected on imported tobacco, about which we have no information.

These figures are published in a brief which was presented this morning to the standing committee on agriculture and colonization by the société cooperative agricole de Saint-Jacques.

Mr. Speaker, I should also like to quote some extracts from another brief which was presented to the federal government:

> Custom duties. These duties are applicable to imported tobacco bought mainly from the United States and Cuba. They are 12½ cents per pound for unstemmed leaves and 20 cents for stemmed leaves, that is leaves without the middle rib.
>
> It should be noted here that there is a trend towards a gradual decrease in tariffs, as shown in the following table:

Changes in the Customs Tariff—Tobacco, unmanufactured (for cigars)

Year	Unstemmed lb (pound)	Stemmed (lb)
1936—Budget	$0.40	$0.60
1948—January 1	0.20	0.30
1951—June 6	0.15	0.22½
1956—June 30	$.12½	0.20

We may add that the tariff with regard to other types of tobacco (N.O.P.) has not changed since 1948, being limited to $0.20 a pound for unstemmed tobacco leaves.

Mr. Speaker, it is high time that at the next GATT meeting in Geneva, the Minister of Trade and Commerce should stress the precarious position of our cigar tobacco growers in the province of Quebec, so as to obtain a tariff increase against this kind of tobacco, which we are able to produce in Canada. Indeed, I think we might be well advised to increase the tariff to 40 cents a pound, in order to protect cigar tobacco growers whose contribution to the Canadian economy is quite substantial. Moreover, the cigar industry is pouring millions of dollars, not only in salaries, but in taxes into the coffers of the governments, federal and provincial.

Mr. Jean-Luc Pepin (Parliamentary Secretary to Minister of Trade and Commerce): Mr. Speaker, despite the eloquence of the hon. member for Joliette-L'Assomption-Montcalm, and the depth of the arguments to support his case, it nevertheless remains that there are still many obscure spots in the picture he painted for us.

We may wonder, for instance, whether the problem he pointed out is new, or how long it has been with us? Is there an endemic or epidemic over production in his riding? One can also wonder if representations have been made. He mentioned one or two, but we would like to know to whom they were made.

I am also told that in the hon. member's riding, cigar tobacco is usually bought from the St. Jacques co-operative by Canadian manufacturers and that growers are normally satisfied to produce the quantity required by those manufacturers.

One may wonder then what could have happened. Those are matters, Mr. Speaker, that I shall be only too glad to discuss with the hon. member.

Mr. Pigeon: No, right here in this house.

Mr. Pepin: This afternoon I consulted the officials of the Department of Trade and Commerce and, to their knowledge, nobody ever heard of that problem.

Mr. Pigeon: It is time that you hear about it.

Mr. Pepin: Perhaps someone should tell us about it.

Two very important Canadian buyers have been consulted by one of our officials and they were very surprised to hear the report.

The hon. member suggests an increase in the customs tariff. I need not remind him that this is a Conservative answer. I need not remind him either—at least according to my information—that the problem existed already when the Conservative government was in office.

Mr. Pigeon: There was no surplus three years ago.

Mr. Pepin: There was no surplus? Those circumstances are rather unusual.

Anyhow, if there is an injustice the hon. member will have to bring it to the attention of the Robertson committee, which is responsible for investigating these problems in order to work out a Canadian policy for the Geneva conference.

That being said, Mr. Speaker, the department is ready to help tobacco growers. I shall personally see the hon. member for Joliette-L'Assomption-Montcalm and we shall invite the president of the co-operative to meet the experts of the department.

For constitutional reasons cherished by the hon. member, I do not think that we may discuss the possibility of selling in the province of Quebec, since it would be an interference in a field of provincial responsibility, but it is possible to consider the situation as far as exports are concerned.

Mr. Deputy Speaker: The time of the hon. member is up.

[*Text*]

Motion agreed to and the house adjourned at 11 p.m.

APPENDIX

SUMMARY OF FEDERAL CONTRIBUTIONS TO PROVINCES

APPENDIX "B" TO FEDERAL-PROVINCIAL CONFERENCE, 1963

	1956–57	1957–58	1958–59	1959–60	1960–61	1961–62	Preliminary Estimates 1962–63	Preliminary Estimates 1963–64	Total
A. Unconditional grants									
1. Statutory subsidies	20,571	20,571	20,571	20,748	20,689	23,530	23,530	23,586	173,796
2. Tax abatements (estimated, excludes abatement to Quebec re university grants)	157,281	278,964	277,616	319,830	311,449	327,199	716,328	751,259	3,139,926
3. Tax rentals[1]	365,938	213,868	249,039	279,730	288,663	312,562	9,088	—	1,718,887
4. Equalization	—	135,978	143,438	182,985	189,655	164,734	176,643	152,883	1,146,316
5. Stabilization	—	3,458	5,676	−2,315	2,327	3,143	−3,691	—	8,598
6. 50% share of federal estate tax	—	—	—	—	—	—	16,628	9,965	26,593
7. 50% share of income tax on power utilities	6,613	7,360	8,682	4,753	4,226	6,397	10,000	8,450	56,481
8. Atlantic provinces adjustment grants	—	—	25,000	25,000	25,000	25,000	35,000	35,000	170,000
9. Transitional grant (Nfld.)	2,250	1,400	1,050	700	350	—	—	—	5,750
10. Nfld. additional grant	—	—	13,550	7,300	7,650	8,000	8,000	8,000	52,500
Sub-total	552,653	661,599	744,622	838,731	850,009	870,565	991,526	989,143	6,498,848
B. Conditional grants									
1. Agriculture	938	1,037	1,864	6,729	3,788	5,174	3,279	9,677	32,486
2. Health	36,438	34,596	45,909	45,975	47,942	48,951	50,900	51,211	361,922
3. Hospital insurance	—	—	54,708	150,593	188,938	283,209	336,000	383,900	1,397,348
4. Welfare	38,353	48,149	74,072	90,860	102,790	143,507	159,042	173,672	830,445
5. Fitness and amateur sport	—	—	—	—	—	—	322	929	1,251
6. Vocational training, etc	4,668	4,765	8,057	8,371	8,668	35,921	206,572	156,604	433,626
7. Highways and transportation	26,909	50,943	53,669	56,834	54,228	40,873	29,335	51,805	364,596
8. Resource development	2,717	4,314	8,741	15,266	17,916	21,472	24,203	26,330	120,959
9. Civil defence	814	968	1,025	1,563	2,245	3,079	5,405	5,300	20,399
1 . Municipal winter works	—	—	249	6,584	8,908	24,249	27,290	29,530	96,810
11. Other	137	72	62	62	100	7	—	2,000	2,440
Sub-total	110,974	144,844	248,356	382,837	435,523	606,442	842,348	890,958	3,662,282
C. Payments for the benefit of provincial institutions									
1. University grants (including net value abatement to Quebec)	16,049	16,558	25,524	26,112	26,708	27,249	37,062	37,722	212,984
2. Grants to municipalities in lieu of taxes on federal property	9,676	17,535	21,852	22,551	24,600	24,888	29,077	28,579	178,758
Sub-total	25,725	34,093	47,376	48,663	51,308	52,137	66,139	66,301	391,742
TOTAL	689,352	840,536	1,040,354	1,270,231	1,336,840	1,529,144	1,900,013	1,946,402	10,552,872

[1] The recovery of the overpayments under the 1952 agreement for the fiscal years 1957–58 to 1961–62 has not been deducted from the tax rental payments for these provinces: Newfoundland $102,315 per annum; Prince Edward Island $228,221 per annum; New Brunswick $182,201 per annum; Manitoba $209,938 per annum and Saskatchewan $304,180 per annum.

HOUSE OF COMMONS

Friday, July 10, 1964

The house met at 10.30 a.m.

RAILWAYS, CANALS AND TELEGRAPH LINES

Second report of standing committee on railways, canals and telegraph lines—Mr. Richard.

AGRICULTURE

TABLING OF EASTERN CANADA FARM SURVEY

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I would like to table two copies of the eastern Canada farm survey, as requested some time ago by the hon. member for Qu'Appelle. In tabling this survey I would like to point out that it was prepared by persons outside the government and was instructed to be prepared by the previous government, and the views and conclusions expressed in the report do not necessarily represent the views of this government on the matters dealt with by the report.

EXTERNAL AFFAIRS

RUSSIAN PROPOSAL RESPECTING PEACE KEEPING FORCE—LANDING OF GREEK TROOPS IN CYPRUS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to direct two questions to the Secretary of State for External Affairs. The first has to do with peace keeping in general, and in particular the proposal of the U.S.S.R. I would ask the minister whether the acceptance of the Soviet proposal in its present form would not have the effect of placing peace keeping operations under the security council of the United Nations rather than under the general assembly, thereby permitting the U.S.S.R. to exercise a veto and to control peace keeping operations.

My second question has to do with the situation of the peace keeping force in Cyprus. Has the attention of the minister been drawn to the fact that in the United Kingdom within the last 24 hours there has been a reference to the number of Greek troops which allegedly infiltrated Cyprus about ten days ago, the number which I mentioned at the time by way of a question as 4,000? Is there not now confirmation of that, and what has the minister to say in that regard?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, with regard to the last question, I heard the report mentioned this morning, and there is no confirmation of those precise figures.

With regard to the first question, it is true that in the Soviet proposal for the establishment of a permanent peace keeping body under the United Nations, the Soviet union apparently intends that the security council shall have exclusive authority in the matter. It is only fair to say that under chapter 7 of the charter of the United Nations there is such a provision. But since the charter of the United Nations came into being the general assembly has brought into existence the procedure, under the uniting for peace resolution, which gives a residual authority to the assembly when the security council, having exercised the veto or having failed to act, takes a course which is not acceptable to the general assembly. Canada continues to regard peace keeping as the primary responsibility of the security council but, as I said last night in the external affairs committee, Canada would feel that the general assembly, in the contingencies I have mentioned, should not be deprived of the right to act when the security council has failed to do so.

Mr. Diefenbaker: With the purport of what the minister has said I am in agreement, but he has not answered my question. Would not the acceptance of the Soviet proposal in its present form have the effect of obliterating that residual power which has developed whereby under certain circumstances the assembly can act?

Mr. Martin (Essex East): I do not think so, Mr. Speaker. The veto is now embodied in the security council and is exercised by the great powers. The uniting for peace resolution was adopted after this power was given to the security council, and the general assembly acted notwithstanding. So my view, and it may be an arguable one, is that such would not be the situation.

Inquiries of the Ministry

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, a supplementary question. Could I ask the secretary of state whether he has received from the Soviet union directly or indirectly the terms of their proposal, and could such terms be made available to us so we can study them? Also may we have some statement from the minister as to what is the reaction of the Canadian government to this proposal?

Mr. Martin (Essex East): Mr. Speaker, we have not had a formal communication from the Soviet union. Other countries have not received their copies. It may be that the ambassador wishes to deliver it personally. However, we have had the full text before us and have made a preliminary study of the matter. As soon as this proposal is formally before us, I will be happy to see that the full text of the proposal is tabled in this house for the consideration of hon. members.

Mr. R. N. Thompson (Red Deer): A supplementary question. I would hesitate to think that the information the minister has at hand is not as up to date as what we receive in news bulletins, but the confirmation I have heard is that the British prime minister said that 4,000 Greek nationals did land on Cyprus and were dispersed in small groups to homes in the mountains, and that these landings coincided with the arrival of General Grivas on the island. Has the minister been in direct contact either with the Greek or the Turkish government about this critical and serious situation?

Mr. Martin (Essex East): Mr. Speaker, I can tell my hon. friend that the British prime minister did not make any such statement, and I can assure my hon. friend, as I have already indicated, that we have been in touch not only with the ambassadors of the countries concerned in Ottawa but we are in continuous touch with the United Nations, with our NATO partners and with other sources. This is not the place to confirm or deny figures which are given in this way. There is under way a very important deliberation in Geneva under the direction of the mediator, who is meeting with certain parties. This could be a very important meeting, and because of it I do not propose to go any further at this moment.

Mr. Diefenbaker: Mr. Speaker, the figure I gave ten days ago was one which has been used very authoritatively in various places except in this House of Commons. After this meeting takes place in Geneva today will the minister remove the mystery regarding this matter? Certainly all over the world this is the figure which is being used, and used by individuals who have some knowledge, as the hon. member said a few moments ago. It is difficult to understand why the secrecy, except that when we brought it up originally the minister said there was no foundation for the whole thing.

Mr. Martin (Essex East): Mr. Speaker, I think in a matter of this vital importance we should and, I am sure all of us agree, weigh very carefully the significance of what we say. I can only say to my right hon. friend that the government has sources of information, as have other countries; we have to assess these, and this we are doing. There is not much to be gained, in my judgment, by public discussion as to whether there are this number or that number. I have indicated that we have expressed our deep concern, as other countries have, with regard to the presence of troops from other countries that have an involvement.

The meeting that is under way now is a vital meeting. It will not be finished today by any means. This very important meeting is under the direction of the mediator. There are other parties present, among them parties who are guarantors of the treaty of 1961. I would sincerely hope that as a result of this meeting the situation will become clearer and I hope more satisfactory. In any event Canada takes the position which other members of the NATO alliance take. This situation is one that calls for both Greece and Turkey to exercise every moderating influence they can in order not to complicate an important and difficult assignment given by the security council to the mediator.

Mr. Diefenbaker: There is one other matter. Certainly Canadians, with 1,100 men there, are most anxious to be assured that the Canadian government has made very clear to the Greek government and to the Turkish government the fact, regardless of NATO relationships or otherwise, that it is a very serious matter for Canadians if there be a basis in fact for such incursions in that country.

Mr. Martin (Essex East): My right hon. friend has already been assured, and I reassure him, that when I saw both Prime Minister Papandreou in Washington and Prime Miniter Inonu in New York a few days ago, I made this unmistakeably clear, as I did to their ambassadors here a few days ago, and as the secretary general has done. I would remind the house of the statement made by

General Gyani the day before yesterday when he made his report to the secretary general, and of the statement of the secretary general in the United Nations the day before yesterday when he directed a formal appeal to both Greece and Turkey with regard to infiltration asking them to respond in a manner that would enable him to make a report to the security council.

SOUTHEAST ASIA—PROPOSED RECONVENING OF GENEVA CONFERENCE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I want to direct a question to the Secretary of State for External Affairs. In view of his statement in the house supporting United States activities in southeast Asia, I wonder if the minister is now prepared to give equally vigorous support to the proposal of the United Nations secretary general, U Thant, for the convening of the 14 nation Geneva conference in an endeavour to resolve some of the difficulties in southeast Asia.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I am sure my hon. friend would not want to give the wrong impression. I did not make any statement that warranted the suggestion that Canada had given its imprimatur to the full position taken by a friendly power in Southeast Asia, and particularly in Viet Nam. I said Canada agreed with the United States that there was a violation by the Chinese communists of the provisions of the 1954 Geneva accord and the subsequent agreement of 1962.

With regard to the appeal made by the secretary general for reconvening the 14 power conference, I am not convinced that a reconvening of that conference could result in any arrangement other than that provided in the Geneva accord and in the conference of 1962. Canada has made this view known, particularly with regard to the Polish proposal for a six power conference in respect of the situation in Laos. However, at the same time we have indicated that, notwithstanding this view, if it were thought desirable that there should be such a gathering we would cooperate.

Mr. Douglas: A supplementary question, Mr. Speaker. In view of the fact that the violation to which the minister refers has to do with the 1954 Geneva agreement, would it not seem logical that the signatories to that agreement should be called together rather than resorting to unilateral action by the United States, which is not itself a signatory to the agreement; particularly in view of the statement made by Mr. Bundy, assistant secretary of state for eastern affairs, to a subcommittee of the United States house committee that the United States may now find it necessary to send troops into Viet Nam? May I ask the minister if it would not be preferable to have the 14 nation Geneva conference reconvened, since they are the people who are the signatories to the agreement which is being violated?

Mr. Martin (Essex East): The presence of United States military forces in South Viet Nam is the result of an invitation under the authority of the government of that country. It is not in any way related to the fact that the United States is not a signatory to the Geneva accord. What I sought to point out was that the necessary machinery exists in the agreements themselves which set up the international control commission in the three countries—of which commission Canada is a member—to deal with this very situation. If all parties concerned lived up to those accords, there would not be the critical situation in Indochina that confronts the world today. That is the situation.

However, I want to make it clear that, if it seemed a desirable way of trying to mitigate the difficulty Canada would be willing to attend such a conference. But we believe that, if the nations concerned would live up to the obligations to which they are committed in accordance with the procedure outlined in the agreement, we could bring about some pacification in this situation.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I know a debate is not allowed at this time, but I want to say to the minister that I agree entirely with the viewpoint and stand being taken by the Canadian government. I suggest to him that he might outline those terms of the agreement which, carried into effect, would bring about a solution of the problem in southeast Asia. If he would do that I think it would clarify the situation very much.

DELIVERY BY U.S. TO TURKEY AND GREECE OF CF-104 PLANES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, yesterday I asked a question of the Secretary of State for External Affairs which he promised to look into and answer. I am referring to the delivery by the United

States of CF-104 jet fighter-bombers to Turkey and Greece during the present trouble in Cyprus. We were referred at that time to the statement of the Minister of National Defence on May 13, reported at page 3213 of *Hansard*. The question I asked was, in view of the fact that of the $200 million which was spent on this program Canada put up $50 million, or a quarter of the cost, was the Canadian government consulted about the giving of these planes to Turkey and Greece?

Hon. Paul Martin (Secretary of State for External Affairs): Of course, Mr. Speaker, as my hon. friend will recall, Canada suspended its share of that program when the Cyprus operation began. I am not aware of any consultations having taken place. My officers have not concluded their examination of this matter, but I hope to have some information next week.

NORTHERN AFFAIRS

QUEBEC—ADMINISTRATION OF ESKIMO AFFAIRS

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, my question is directed to the Minister of Northern Affairs and National Resouces. Can he tell us whether negotiations between his department and that of natural resources of Quebec are going on with a view to transferring the administration of Quebec Eskimos?

[*Text*]

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I have nothing further to report at the present time.

TRADE

WHEAT—NEGOTIATIONS WITH POLAND AND CZECHOSLOVAKIA

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of Trade and Commerce and is in two parts. Can the minister give us some word about the negotiations now taking place in Winnipeg between officials of the Canadian wheat board and Czech and Polish officials with regard to the sale of wheat? Second, have any of the private export firms been called into these negotiations and, if not, will they be?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the negotiations

that are now proceeding very satisfactorily in Winnipeg involving the Czechoslovakian and Polish representatives and the wheat board are related to the long term agreements that we signed last year with these countries. These countries are now buying under the terms of those agreements, and it is quite clear that they intend to carry out the agreements in full. When the negotiations with the wheat board have proceeded to a certain point the private trade, of course, will be interested and will be negotiating the actual sale of the wheat to the Polish and Czechoslovakian agencies.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): As a supplementary question, would the minister be in a position to disclose the price of the wheat negotiated for sale to these two countries?

Mr. Sharp: Well, Mr. Speaker, as I have often explained, it is not the policy of the Canadian wheat board to reveal the details of any particular sale, but one can look at the prices at which the wheat board is offering wheat at the present time and get a good indication.

GIFT OF CATTLE TO SOVIET UNION

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, may I direct a question to the Minister of Agriculture. Yesterday in answer to a question asked by the hon. member for Marquette (Mr. Mandziuk) concerning the export of Holstein cattle to Russia, the minister told us how he had pioneered this export field, and I commend him for that. Then he stated:

> I said we would be prepared to give them three head to prove our point—

By the use of the word "we" does he mean he and his company or some other individuals, or does he mean the government of Canada will give these Holstein cattle as an outright gift to the Soviet union?

Hon. Harry W. Hays (Minister of Agriculture): Yes, Mr. Speaker; I meant you and I, the Canadian people, will be giving them. I would be quite prepared to do it myself, because I think there is a fantastic market available.

Mr. D. V. Pugh (Okanagan Boundary): Would the minister not consider it might be a good idea to send over a little bull, too?

INDUSTRY

QUEBEC—DISCUSSIONS RESPECTING ESTABLISHMENT OF AUTOMOBILE INDUSTRIES

On the orders of the day:

[*Translation*]

Mr. Raymond Langlois (Mégantic): Mr. Speaker, may I put a question to the Minister of Industry?

Did the minister get information from the provincial government to the effect that the Peugeot company or Renault company would be interested in opening up plants in Thetford Mines?

[*Text*]

Hon. C. M. Drury (Minister of Industry): No, Mr. Speaker.

[*Translation*]

Mr. Langlois: Should the minister get such information, would he so inform the house immediately?

[*Text*]

Mr. Drury: Mr. Speaker, I think I did mention earlier that these are delicate negotiations working toward the bringing into Canada of a new and substantial industry, and it would not be in the public interest to make statements until such time as the negotiations are concluded.

Mr. Langlois: I will wait until the negotiations are concluded, but will the minister give a report to the house after they are through?

Mr. Drury: Yes, Mr. Speaker.

TIMMINS, ONT.—FEDERAL PARTICIPATION IN MINING DEVELOPMENTS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, may I address a question to the Minister of Mines and Technical Surveys. What part, if any, did he or his officials play in the negotiations and discussions between the Ontario department of mines and Texas Gulf in connection with the prospective developments around Timmins?

Mr. Speaker: Is there any particularly urgent and pressing nature to this question? If not, I suggest the order paper.

DOMINION-PROVINCIAL RELATIONS

REPORTED STATEMENT BY MEMBER FOR THREE RIVERS

On the orders of the day:

[*Translation*]

Mr. Vincent Drouin (Argenteuil-Deux-Montagnes): Mr. Speaker, availing myself of the provisions of standing order 39 of the House of Commons, I should like to direct a question to the Leader of the Opposition.

Would the Leader of the Opposition approve of the taxation policy expounded in a press release by the hon. member for Three Rivers (Mr. Balcer), when he was speaking on behalf of the Conservative members from the province of Quebec and—

[*Text*]

Mr. Speaker: Order, please. This question is contrary to standing order 39.

[*Translation*]

Mr. Drouin: Mr. Speaker, standing order 39 states that a question can be put to a private member or to any member of the house who is not a member of the cabinet, relating to any bill, motion, or other public matter connected with the business of the house.

Now, we have before us a bill concerning taxation. The Leader of the Opposition announced, on behalf of his party, a policy contradicted in a press release issued by the hon. member for Three Rivers in his capacity as assistant leader of the Conservative party and leader of the Conservative members from the province of Quebec.

It would be interesting to know the exact policy of the Conservative party in respect of the bill now before us.

[*Text*]

Mr. Speaker: Order, please. I have listened with great interest to the remarks of the hon. member, but the practice here has always been not to direct questions to the Leader of the Opposition. This practice has been consistently followed. On occasion questions can be addressed to chairmen of committees, but certainly not to the right hon. Leader of the Opposition, unless he is the sponsor of a bill.

CANADIAN BROADCASTING CORPORATION

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Acting Prime Minister on a matter that covers several departments and is of extreme urgency. Has the Acting Prime Minister and the other ministers received from the Vancouver city clerk, Mr. Ron Thompson, a formal letter applying for a 99 year lease on the Kitsilano reserve?

The urgency arises in view of the fact that work has been started by the federal government on renovating four buildings at Kitsilano. Does this mean that regardless of the objections and stand of the corporation of the city of Vancouver and many other organizations, including the park commission, the government is going to go ahead and allow this property to be taken by the C.B.C.?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, the government and a number of its ministers received a proposal this morning, which has not yet been studied, from the city of Vancouver for the transfer of the Kitsilano property in its entirety to the city of Vancouver. As I undertook the other day, the government will study this proposal from the city of Vancouver along with other proposals received by the Crown Assets Disposal Corporation for the disposition of this property and, after proper consideration of all the factors involved, I hope will come to a conclusion next week.

Mr. Diefenbaker: The other question was this. Why is it that the government is now proceeding to renovate those four buildings in this particular area? Is it in preparation for the C.B.C. to take over?

Mr. Drury: I was not aware that renovations were being carried out at Kitsilano. I would be glad to inquire into this.

Mr. Harold E. Winch (Vancouver East): Now that we have this indication that the city council has made a formal application to the Crown Assets Disposal Corporation, could the minister tell us whether the C.B.C. has also put in an application to that body?

Mr. Drury: Yes, the C.B.C. has also made a proposal to the Crown Assets Disposal Corporation.

Mr. T. C. Douglas (Burnaby-Coquitlam): Have any other applications been made?

Mr. Drury: So far, only those two.

Mr. Douglas: What would be the closing date for such applications?

Mr. Drury: There is no formal closing date.

Mr. Diefenbaker: When did the C.B.C. make its formal application? How long ago?

Mr. Drury: Yesterday.

Mr. Diefenbaker: Yesterday? Then does the minister understand why Mr. Ouimet said in Vancouver about 10 days ago that he intended to get hold of this property, if no application had been made by the C.B.C. at that time?

Mr. Douglas: I want to ask the minister if the final disposition of this property is to be decided by the cabinet or by Crown Assets Disposal Corporation.

An hon. Member: By Ouimet.

Mr. Drury: I think this will be a matter for decision by the government.

COUCHICHING CONFERENCE—FAILURE TO INCLUDE SOCIAL CREDIT REPRESENTATIVES

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): I wish to address a question to the Secretary of State in his capacity as the minister reporting for the Canadian Broadcasting Corporation. It is based on a brochure which I imagine has been received by a number of members, entitled "Order and Good Government" and connected with the Couchiching conference presented by the Canadian institute of public affairs in co-operation with the C.B.C. on the subject of parliamentary democracy in Canada.

We find there are five Conservative members, four members of the New Democratic party and three Liberal members on the program. Could I ask the Secretary of State if he would enlighten the house as to the reason the Social Credit movement, which since 1935, with the exception of the period 1958-1962, has had substantial representation in this house and which forms the administration in two of the provinces of Canada, has been completely bypassed in the preparations for the discussion of these most important matters dealing with parliament and parliamentary democracy in Canada?

Hon. Maurice Lamontagne (Secretary of State): As far as I am aware the C.B.C. has no direct responsibility for selecting guest speakers at these meetings. But in case the C.B.C. had something to do with it I will inquire, and report to the management the grievance of the hon. member.

Mr. Patterson: I wonder whether the minister knows that the C.B.C. is putting on a daily one hour program covering this important conference and, of course, that it will give the views of only certain sections of the political picture in Canada.

Mr. Lamontagne: I am aware of that, Mr. Speaker.

HEALTH AND WELFARE

PROVINCIAL REPLIES RESPECTING CONFERENCE ON ROYAL COMMISSION REPORT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Acting Prime Minister supplementary to an answer he gave me on Tuesday to a question I asked him on Monday. On Tuesday he indicated that the premiers of Alberta, Nova Scotia and British Columbia have thus far replied to the Prime Minister's letter regarding the holding of a conference within six months as recommended by the Hall commission report. My question now relates to the announcement made yesterday by Premier Robarts, according to a Canadian Press dispatch, that arrangements are under way to hold such a federal-provincial conference. Can the Acting Prime Minister say whether these arrangements have reached a stage at which an announcement of the holding of a conference can be made?

Hon. Paul Martin (Acting Prime Minister): I am sure what the Ontario premier had in mind was that there would undoubtedly be a meeting on this matter, but I would not wish to go beyond that until further letters have come in from the premiers. One was received yesterday from Premier Roblin. However, let me look again at this question and make sure that my answer has the precision I would wish it to have.

Mr. Knowles: Would the Acting Prime Minister ascertain whether there has been a communication from Premier Robarts?

Mr. Martin (Essex East): I do not think there has, but I should like to make sure.

TRANSPORT

SPECIAL SUBSIDY TO RAILWAYS TO MEET INCREASED WAGE COSTS

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): I have a question for the Minister of Transport or, in his absence, for the acting minister or the Acting Prime Minister. Does the government intend to ask parliament for a special subsidy to assist the railways in meeting the cost of the wage increases recently negotiated?

Hon. Paul Martin (Acting Prime Minister): I would refer the hon. gentleman to the statement made in the house the other day by the Minister of Transport.

Mr. Dinsdale: The Minister of Transport was not specific on this point, and I would ask the Acting Prime Minister if he is aware that the continued delay in dealing with the MacPherson report is placing considerable hardship upon the Canadian trucking industry.

Mr. D. V. Pugh (Okanagan Boundary): I have a supplementary question to ask, and as a preliminary I might say that I asked the Minister of Transport if any carrot had been held out to the railways and he said no. Then I find in the letter sent by the Prime Minister to the top men in the railways the statement:

> —an opportunity to decide what additional temporary financial adjustments would be justified to assist the railways during the period up to the coming into effect of the proposed new railway legislation.

My question is this. Does the minister not think that is a sufficient carrot to the railways?

Mr. Martin (Essex East): The Minister of Transport will be here on Monday.

UNITED NATIONS

CANADIAN POSITION ON ADMISSION OF COMMUNIST CHINA

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I want to ask the secretary of State for External Affairs a question. As the Prime Minister of Canada stated at the commonwealth conference in London, that red China is to have a seat in the United Nations, does the secretary of State for External Affairs intend to campaign for it during the next session of the United Nations in New York?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I draw the attention of the hon. member to the statement I made on May 22 last in this house.

Mr. Pigeon: A supplementary question, Mr. Speaker. At the conference of the commonwealth countries which is being held in London, the Prime Minister of Canada stated that red China was to take its place, to have a seat in the United Nations. Does the Secretary of State for External Affairs intend to campaign for it on behalf of the Prime Minister of Canada and this government, at the next assembly of the United Nations?

Mr. Martin (Essex East): Mr. Speaker, I cannot add anything to my previous answer, and I think that the hon. member will find that the statement I made on May 22 last is worth considering again.

Mr. Pigeon: A supplementary question, Mr. Speaker. Does the Secretary of State for External Affairs unconditionally support the statement which the Prime Minister made in London?

Mr. Martin (Essex East): Mr. Speaker, I have nothing to add.

[*Text*]

Mr. T. C. Douglas (Burnaby-Coquitlam): I have never quite understood the meaning of the two-China policy. Does it mean now that we have one China policy in London and another in Ottawa?

Mr. Martin (Essex East): I think the hon. gentleman, who was the premier of a province for an unduly long time, will appreciate that when one is called upon to divulge government policy one would wish to rely on official declarations, not on declarations which are reported to be official.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Does the hon. gentleman mean by that remark that anything he says is unofficial, but what the Prime Minister says is official government policy on this question? My hon. friend has asked a perfectly reasonable question. In this morning's issue of *Le Devoir* it is stated—and I am using it as it appears here—"Pearson denounces segregation" and also "Declares China ought to have its place in the United Nations".

I am translating it with that freedom that is accurate, however. I ask the minister this. Is this government policy, or is it just another case of what is said in London is not dreamed of in Ottawa?

Mr. Martin (Essex East): Mr. Speaker, no one in this house at the present time has greater experience than my right hon. friend with regard to prime ministers' conferences in London. I think he would agree that he was perhaps better able to deal with the effect of reported leaks of statements made at those conferences than anyone else. I simply want to say to my right hon. friend that I have not seen the statement, but I would commend to my right hon. friend, for whom I feel nothing but friendship these days—

Some hon. Members: Oh, oh.

Mr. Knowles: Watch out.

Mr. Martin (Essex East): —the statement I made on May 22.

Mr. Diefenbaker: Mr. Speaker, flattery will get the hon. gentleman nowhere. I simply ask him this. Was that declaration in London—which was not a leak; apparently it was one of those transmissions of information that finds its way to the C.B.C., with a reporter carried along for the purpose—in keeping with government policy; because what was said on May 22 in Ottawa is a long way from what was said on July 9 in London?

Mr. Martin (Essex East): I will be very glad to look at this statement.

Mr. Diefenbaker: Good.

Hon. J. A. MacLean (Queens): I have a supplementary question, Mr. Speaker. Does the Secretary of State for External Affairs admit any change in government policy with regard to China since May 22?

Mr. Martin (Essex East): No, Mr. Speaker.

CANADIAN FLAG

REPORTED FLYING OF NEW DESIGN BY H.M.C.S. "YUKON"

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for either the Acting Prime Minister or the Associate Minister of National Defence. Will the Acting Prime Minister secure for the house information related to the flying of the new flag design from the mainmast of H.M.C.S. *Yukon* while at sea, and the authority under which such action was taken?

Hon. Paul Martin (Acting Prime Minister): I did not hear this question, Mr. Speaker, but perhaps I could read it and give an answer later.

Mr. Coates: I will put my question again, because—

Mr. Speaker: Order. This question is important, I admit, but I think the Acting Prime Minister certainly needs notice to answer it. I do not see how he could possibly answer it today unless he has personal information. Would the hon. member put his question on the order paper.

Mr. Coates: I have a supplementary question, Mr. Speaker. Perhaps the Acting Prime Minister will be able to secure this information for me at the same time. Have any instructions gone forward from the government to the armed services requesting that they assist in the promotion of this new flag design?

Hon. Lucien Cardin (Associate Minister of National Defence): No, Mr. Speaker.

SOCIAL ASSISTANCE

SASKATCHEWAN—PROPOSED REQUIREMENT THAT RECIPIENTS WORK FOR AID GIVEN

On the orders of the day:

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I would like to reply to a question the hon. member for Qu'Appelle asked a couple of days ago. He asked me to inquire whether a communication has been received in my department from the minister of social welfare of Saskatchewan on the question of requiring work from welfare recipients. No such communication has been found.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. I wonder whether the minister would look into this matter further. I have the Regina *Leader-Post* of July 4 in which the minister of social welfare of Saskatchewan is quoted as saying that they are waiting for a reply from Ottawa; that they have made application and "We are still hoping the federal government will change its legislation to permit a cost sharing arrangement".

Either the minister of welfare in Saskatchewan is under some misapprehension about this letter which he claims to have sent to the federal government, or the federal government for some reason or other has not been able to discover this letter. Could the minister give us an explanation?

Mr. Gordon: Mr. Speaker, I did not mean to build up this mystery of the missing missive; but I did make inquiries, as I was asked to, as to whether this communication is in the files or was received by the Department of Finance, and the answer is no.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, this puts us in the position of having to ask the Secretary of State if he will search the records of all departments to see if this missing letter can be discovered. On two occasions the Minister of National Health and Welfare has claimed that her department has received no such communications, and now the Minister of Finance has said his department has not received it. Therefore I would like to ask the Secretary of State to search the files of all departments to see if the letter is there.

Hon. Maurice Lamontagne (Secretary of State): I would be glad to do so, Mr. Speaker.

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker, which perhaps I might address to the Acting Prime Minister. While efforts are being made to find the letter, can the government not declare that its position is unchanged and that it is still opposed to the principle of work for relief?

Hon. Paul Martin (Acting Prime Minister): I would like to see the letter first.

Hon. J. A. MacLean (Queens): Mr. Speaker, I would like to address a supplementary question to the Postmaster General. Could the Postmaster General say whether to his knowledge his department have returned any letters, which were addressed to the government, marked "Undeliverable"?

PRIVILEGE

MR. VINCENT—CLARIFICATION OF REMARKS IN DEBATE

On the orders of the day:

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I rise on a question of privilege. I should like to make a remark and to bring a correction to a statement I made yesterday when I directed the following question to the Minister of Forestry:

> Could the minister say whether on December 6, 1962, the federal government and the province of Quebec signed an agreement under ARDA to carry out a $185,000 survey in the riding of Mégantic?

Later on, I said:

> —If I remember well, on December 6, 1962, the federal government and the province of Quebec signed such an agreement with a view to carrying out a survey in the riding of Mégantic.

Mr. Speaker, when I came back to my office, I found that the federal government had approved that a convention be signed on December 6, 1962, concerning a survey, at a cost of $185,000, in the riding of Montmagny and not Mégantic. It was not on December 6 but only at the beginning of 1963 that this convention was signed by the province of Quebec.

[*Text*]

AGRICULTURE

QUEBEC—PROCEDURE RESPECTING APPLICATION OF ARDA

[*Translation*]

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Forestry.

I would like to ask him whether it is true that ARDA will be restricted to the Gaspé peninsula and whether Mr. Courcy has asked

that the drainage be entirely financed by ARDA or another joint plan?

Hon. Maurice Sauvé (Minister of Forestry): Mr. Speaker, I think that there is some confusion, because the Minister of Agriculture has announced that only areas of the lower St. Lawrence and the Gaspé peninsula would be designated as rural development areas, but this does not prevent the program from being applied in other parts of the province. As far as drainage is concerned, I may inform the house that we shall pay 50 per cent of the cost of projects submitted.

Mr. Pigeon: Mr. Speaker, may I put a supplementary question?

Could the minister inform the house why Messrs. Lesage and Lévesque denounce joint plans and, at the same time, sign an agreement as they did recently with regard to ARDA?

Mr. Sauvé: Mr. Speaker, there is a constitutional reason. Under section 95 of the B.N.A. Act, agriculture comes under the joint jurisdiction of the federal and the provincial governments. I think that provincial authorities recognize the jurisdiction of the federal government and are willing to co-operate with the latter.

[*Text*]

QUEBEC—PROVISION OF FEED GRAIN STORAGE

On the orders of the day:

[*Translation*]

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a question to the Minister of Forestry.

Has the minister provided, in his 1965-66 estimates, for the building of grain elevators in the Chicoutimi or Bagotville harbour so that the Saguenay farmers may benefit from as advantageous prices as the communist buyers do?

[*Text*]

Mr. Speaker: This is a question for the order paper.

SASKATCHEWAN—STEPS TO MEET CRITICAL LIVESTOCK SITUATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Agriculture whether he has received any letter from the government of the province of Saskatchewan setting out a request by that government for assistance in connection with the drought situation, with particular reference to supplying fodder for cattle and the like, similar to that which was given two years ago. Has he received such a letter or request in writing?

Hon. Harry W. Hays (Minister of Agriculture): No, Mr. Speaker.

Mr. Diefenbaker: The hon. gentleman said yesterday that he had sent a letter to the government of Quebec, or one of the ministers, offering the same type of terms that were being asked for by the provinces of Saskatchewan and Manitoba. What was the nature of the terms contained in the letter he wrote to the province of Quebec which would also be applicable to that province, as they should?

Mr. Hays: Yesterday I indicated that I had discussed the problem with the Saskatchewan cabinet and also with the minister of agriculture of Manitoba. I also said I had dispatched a letter to the minister of agriculture of Quebec indicating that we would be quite prepared to consider his suggestions as to the problems they were having.

Mr. Diefenbaker: Mr. Speaker, I do not want to hold this up, but this is not what the minister said yesterday at all. As reported at page 5236 of *Hansard* the hon. member for Shefford asked this question:

> Mr. Speaker, in view of the fact that the Minister of Agriculture has expressed his intention of giving farmers affected by drought conditions more time to repay their farm loans, could he not apply the same policy to Quebec farmers whose crops are a complete failure and who depend on them to make a living? I refer to apple growers and strawberry producers.

The minister replied:

> Mr. Speaker, I dispatched a letter this morning to the minister of agriculture of Quebec offering him the same consideration.

I ask the minister, what were the terms of that letter?

Mr. Hays: Mr. Speaker, I thought I indicated several times that I would not disclose the terms or how we should deal with the problem. I suggested first that we would have to hear from them officially, and this is the basis on which I wrote to the minister.

Mr. Diefenbaker: So that what the minister said was "I was out in Saskatchewan and Manitoba and we have a plan out there for drought and we will give you the same". Is that what the situation was?

Mr. Hays: Mr. Speaker, I do not think the right hon. gentleman should be putting words

in my mouth. I think I have explained the situation fairly clearly.

Mr. W. H. Jorgenson (Provencher): Mr. Speaker, a supplementary question. Are we to understand that whatever request is made by the provinces the minister will agree to it? In other words, is he signing a blank cheque?

Mr. Hays: No, Mr. Speaker, I do not think that is the case.

Mr. Diefenbaker: It is just a blank offer.

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I should like to direct a question to the Minister of Agriculture in view of the questions put this morning in connection with the drought. Would the Minister of Agriculture discuss a proposition similar to the steps taken by the previous government in 1961 regarding the administration of the Prairie Farm Assistance Act, so as to allow the farmers covered by that act to cut their oats, wheat and barley in cases where there is no prospect of harvesting the crop, which would give them the full benefit of the P.F.A.A. this year?

Mr. Hays: Mr. Speaker, I indicated yesterday that in this area where they are having the most trouble there was no germination, so there will not be any oats or barley unless the farmers receive rain in the very near future. I discussed this problem with the cabinet in Saskatchewan and with the minister of agriculture in Manitoba, and they indicated what they wished to do. When we receive official notification we are going ahead with the suggestions they have made, and at that time I will disclose to the house the steps being taken.

Mr. Southam: A supplementary question. In view of the fact that the administration of the P.F.A.A. is entirely under the jurisdiction of the federal government, and in view of the fact that in quite large sections of this drought area there has been some germination taking place, although there is no prospect of a reasonable crop except for use as forage for herds, I think a decision should be taken as soon as possible regarding the administration of this act so the farmers will know whether to endeavour to harvest this stunted crop for forage or to let it develop to maturity as the case may be.

Mr. Hays: I think that is a reasonable request. If there is no chance of a crop at all the farmers should be able to do this sort of thing; and so far as the federal government are concerned we will be very sympathetic toward this suggestion.

NATIONAL PARKS

PAYMENT OF FINES FOR TRAFFIC VIOLATIONS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to address a question of some urgency to the minister of northern affairs. July and August are the big tourist months in our national parks, and I think of Banff particularly. Some time ago I either put a question on the order paper or wrote a letter to the minister asking whether legislation would be brought forward or the regulations would be changed with reference to traffic violations, so that people could pay traffic fines rather than appear in the police courts. Thousands of tourists are now being affected and there have been complaints about this. The minister said this step would be taken immediately, but could he give us an indication whether the regulations have been changed, or is it his intention to bring in an amendment to the act to carry out this change?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, this would have to be given effect by way of amendment to the act, which we foresee at this time.

Mr. Woolliams: A further supplementary question. What does the minister mean by "as early as possible".

Mr. Laing: As early as possible, Mr. Speaker.

Mr. Woolliams: A further supplementary. What does the minister mean by "as early as possible".

Mr. Pigeon: Sixty days.

Mr. Speaker: Order, please. Surely the time of the house can be better utilized.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF NATIONAL DEFENCE

56a. To authorize the governor in council to prescribe the circumstances under which a contributor who, having served in the forces for ten or more years, is compulsorily retired from the forces before reaching retirement age during the period commencing on the 7th day of May, 1964, and ending two years thereafter, due to a reduction in the total number of members of the forces,

shall be deemed, for the purposes of subsection (3) of section 10 of the Canadian Forces Superannuation Act, to have served in the forces for twenty or more years, $1.

Item agreed to.

DEPARTMENT OF FINANCE

L17a. To provide for and authorize the purchase out of United States dollars paid to Canada, pursuant to the treaty between Canada and the United States of America relating to co-operative development of the water resources of the Columbia river basin, together with any protocol or exchange of notes relating thereto, of such obligations of the government of the United States as may be approved by the governor in council, and the subsequent disposition of such obligations; the amount which may be expended for such purchase not to exceed $254,400,000 U.S. notwithstanding that this amount may exceed or fall short of the equivalent in Canadian dollars, estimated as of May, 1964, which is, $275,149,500.

Mr. Gordon: Mr. Chairman, I undertook when this item came up to make an explanation of the way in which this financing would be handled. This item arises out of the Columbia river treaty. The United States has agreed to pay on or about October 1, 1964, contemporaneously with the exchange of ratification of the treaty, $254.4 million U.S. in a lump sum as payment for the Canadian share of the downstream benefits of hydro-electric power. If the funds are paid over earlier, they are subject to a discount of 4½ per cent per annum.

The Columbia storage power exchange, a non-profit organization of the power producers and users concerned, which is expected to raise the necessary United States funds, will pay to the government of Canada the United States funds as was agreed with the United States last January. The agreement is contained in the "attachment relating to terms of sale". As soon as the government of Canada receives the United States currency we will pay the Canadian dollar equivalent to the government of British Columbia, except that British Columbia may choose to receive some of the funds in United States currency in order to redeem some outstanding United States debts.

Accordingly the government of Canada is seeking authority to pay out of cash on hand or from the proceeds of borrowings a maximum of $275,149,500 in Canadian funds to British Columbia, and will have a maximum offsetting asset of $254,400,000 in United States funds.

As I have said, British Columbia may prefer to receive some of the funds in United States currency in order to redeem United States dollar obligations. To the extent that this takes place, the amount of Canadian funds to be made available by the Canadian government to British Columbia will be reduced. The amount of United States securities to be purchased will likewise be correspondingly reduced.

In my budget speech of March 16 last I mentioned an amount of $220 million Canadian as my estimate of our cash requirements in this fiscal year in connection with the Columbia river treaty lump sum payment. This was based on the assumption that British Columbia would require a payment of $50 million in the form of United States funds. The remainder of the lump sum payment, $204.4 million U.S., is equal to about $220 million in Canadian funds.

Except in one respect the arrangements will be similar to what happens whenever there is an increase in Canada's official holdings of foreign exchange reserves. Normally increases in Canada's official holdings of foreign exchange other than gold are invested by the exchange fund of the Minister of Finance in short term securities of the United States government. It is important to note that according to United States official statistics, increases in Canadian holdings of such short term securities would constitute part of the United States balance of payments deficit.

To avoid increasing the United States deficit in this way, Canada agreed with United States authorities last January that we would invest the proceeds of the lump sum payment in medium term non-marketable securities of the United States government. These securities, being non-marketable, will not be held in Canada's exchange fund account but will be held in a special account of the Minister of Finance. As the securities mature, it is expected that the proceeds will be taken into the exchange fund and invested in short term United States government securities in the normal way. The effect of this entire approach will be to even out the flow of funds into our reserves and to spread the impact of the transfer of so large a sum of money on the United States balance of payments over a longer period.

Arrangements in non-marketable securities have been made between the United States government and a number of other governments in recent years.

It should be pointed out that while the non-marketable securities mentioned above will not form a part of Canada's official hold-

ings of foreign exchange, they will constitute an important backstop for our reserves, and will add to our ability to marshal adequate resources in the event of a drain on our foreign exchange reserves. Although we do not anticipate any such drain, experience over the past few years has shown that our exchange position can become exposed to sudden and unexpected pressures from time to time.

The exact schedule of maturities and interest rates on these special securities remains to be worked out with United States authorities. Interest rates will be related to, but probably somewhat above, the market rates prevailing in the United States at the time of the issuance of the securities.

A question has been raised as to the cost to the government of Canada of acquiring these special United States securities. Such a cost would be regarded as being the difference between the interest paid by the Canadian government on the Canadian money raised to pay British Columbia and the interest received on the corresponding amount of United States dollar securities to be held by the government of Canada. Assuming that the lump sum payment is invested in medium term United States government securities, and assuming that the required amount of Canadian funds is obtained by the sale of Canadian securities of similar maturities, the difference between the interest rate earned in the United States and the interest rate paid in Canada would be in the neighbourhood of one half of one per cent on the basis of current yields. Assuming that the lump sum transfer was of the order of $220 million Canadian, the interest cost of the arrangement would be $1.1 million per annum.

However, two points need to be emphasized. First, costs of this nature are always incurred when the government increases its exchange reserves. In fact, because normally our exchange reserves are invested in market securities at slightly lower rates of interest than those contemplated for these special securities, the cost of this particular transaction is appreciably less than it would have been if our normal reserves had increased by an equivalent amount. Second, as I have already emphasized, these securities will form an important backstop to our exchange reserves. For quite different reasons in each of the past two years we have experienced heavy pressures on our exchange reserves. While we do not anticipate further speculative pressures, experience does suggest the importance of being able to marshal adequate resources at all times.

Mr. Herridge: Mr. Chairman, I was very interested in this phase of the minister's statement as to the purpose of this estimate. I must say that I am sure it comes as a surprise to some of us who realize that the government is in effect introducing legislation because this is an increased charge against the exchequer about which we were not told in the committee on external affairs.

Mr. Gordon: I wonder if I may clear up that point. The government, as my hon. friend knows, has authority to invest in Canadian securities. We also need, in this case, authority to invest in these medium term United States securities.

Mr. Herridge: I fully understand that. This is, in effect, introducing legislation. You will remember that in the committee on external affairs the Secretary of State for External Affairs was most emphatic that this treaty was an executive act, that it was not necessary to come before parliament. I want to take this opportunity to say that a member of our party who is versed in these matters raised the question during his remarks in a debate in the house.

I should like to quote, Mr. Chairman, from page 67 of the minutes of evidence of the committee on external affairs for Tuesday, April 7, 1964:

> Mr. Byrne: I was simply going to ask the minister if when the former administration suggested that the treaty be put before a parliamentary committee, it was prepared to have it altered in any way?
>
> Mr. Martin (Essex East): Of course not. The treaty was signed in Washington by the President of the United States, by the secretary of state for the United States, by the Prime Minister of Canada, and by the Minister of Justice. The treaty was not in that form submitted to parliament because there was not an opportunity to do so. But under our practice, the government of the day takes its responsibility. It negotiates a treaty with another country and it takes its responsibility, and having taken its position and responsibility, then it asks parliament to approve or to reject. That is the constitutional position.
>
> Mr. Davis: Is it not correct that ratification is an executive act, or an act of the executive?
>
> Mr. Martin (Essex East): That is right. There is no law which requires us to come to parliament or to refer the matter to a committee.

Some of the members of our group suggested that we were of the opinion, Mr. Chairman, there should have been a bill with the introduction of the treaty; it should not have been by means of a resolution which the house could simply endorse or reject. We claimed that this treaty was changing the law of the

land and was affecting the rights of certain Canadians. To support my argument in that connection I should like to read a few extracts. I think what is happening today proves we were correct. This is an estimate; this is legislation by estimate. The Minister of Finance admits that, does he not?

Mr. Gordon: As I said, this comes under the loans section of the supplementary estimates. All we are asking for is authority to invest these United States funds in short term and medium term United States securities. We have not got that authority to make investments in United States securities, and it is that for which we are asking.

Mr. Herridge: Of course there will be a bill following these supplementary estimates.

Some well informed people looked up this question, and I should like to quote two or three authorities. The first article I should like to quote is by A. Lawrence Lowell, entitled "The Government of England", volume 1, page 22:

> The crown...has power...to conclude treaties, save that, without the sanction of parliament, a treaty cannot impose a charge upon the people of change the law of the land, and it is doubtful how far without that sanction private rights can be sacrificed or territory ceded.

I am very interested to note that the hon. member for Kootenay East is paying attention to my remarks. I hope he stays until the vote comes on these estimates. There is a footnote to that citation which cites Anson, Law and Custom of the Constitution, volume 2, pages 297-99 and Dicey, Law of the Constitution, page 393. In my edition of Dicey the passage on the subject seems to be at page 460, where Dicey says that it is even open to question whether the treaty-making power of the executive might not in some cases override the law of the land. He gives a footnote reference to a judgment of the judicial committee of the privy council in 1892 which, however, refers only to treaties of peace and other treaties akin to them, as to which the judicial committee refrains from expressing an opinion.

Then I should like to quote Bora Laskin of the faculty of law, University of Toronto, who in his book "Canadian Constitutional Law", second edition, 1961, at page 270 quotes Chief Justice Duff:

> But it is no part of the prerogative of the crown by treaty in time of peace to effect directly a change in the law governing the rights of private individuals, nor is it any part of the prerogative of the crown to grant away, without the consent of parliament, the public moneys or to impose a tax or to alter the laws of trade and navigation, and it is at least open to the gravest doubt whether the prerogative includes power to control the exercise by a colonial government or legislature of the right of apropriation over public property given by such a statute as the British North America Act.

That is what we are doing with respect to this treaty and with respect to the effect of this item. In addition, Mr. Chairman, I want to quote an extract from "The Law of Nations—Cases, Documents and Notes", published in 1938 and edited by Herbert W. Briggs of Cornell University. In chapter 10 of that textbook, entitled "The Law of Treaties", at page 433 under the subtitle "Treaties as Internal Law" Professor Briggs notes:

> In another group of states, legislation is necessary before treaties affecting private rights become internal law which the courts will enforce. Thus Picciotto writes with reference to British practice that, whatever be the theories, there is an "undoubted modern practice of incorporating all treaties affecting private rights in acts of parliament".

This is the contention of the members of this group. The treaty should have been incorporated in an act of parliament as was done in the case of the boundary waters treaty of 1909, and as has been done in the past by the introduction of schedules to bills involving a number of treaties that have been ratified by the house. I wish to refer also to Picciotto, page 71, also Walker *v.* Baird (1892) A.C. 491, and to A. D. McNair who asks the question "When do...treaties involve legislation" and then goes on to explain the basis, which is very similar to the previous argument I have advanced.

I also wish to quote an extract from "Principles of British Constitutional Law" by Emden. Dealing with the external affairs function of the British executive Emden has this to say at page 15:

> —it is generally deemed advisable by the executive to obtain the sanction of the legislature to treaties, concluded in time of peace, which involve important cessions of territory—

Which this does in effect.

> —the imposition of taxation—

Which these increased costs to the government will mean.

> —a grant from public funds, the amendment of existing laws of trade or navigation, or interference with the private rights of the subject.

I have quoted from these few authorities in support of the contention of the members of this group that this treaty should have been introduced into the house as a bill, in which case the house would have had the opportunity to deal with the various clauses,

and the schedules should have included the agreement with the government of British Columbia just the same as agreements with other governments with respect to taxation have been included in schedules to bills.

I have a long way to go, today, Mr. Chairman, so I hope you will bear with me. Since the treaty was dealt with in the committee and since it was last dealt with in the house there have been certain changes in circumstances and certain things have happened about which members of the committee were not informed, and which in some instances I am sure the government had no idea were going to occur.

In this connection I want to quote from some correspondence that has taken place between General McNaughton and the Secretary of State for External Affairs. I think these letters should be placed on the record because they put the picture in true perspective from our point of view. I wish to quote a letter under date of June 3, 1964, addressed to the Secretary of State for External Affairs.

Mr. Martin (Essex East): Mr. Chairman, I have no objection to these letters in themselves being tabled, because they represent an interesting exchange that will have historical value if nothing else, but this matter has been decided by parliament. The treaty has been approved by a committee and by parliament, and any argument directed toward the treaty is completely out of order. My hon. friend is in order, of course, to discuss the matter which has been raised in the estimate by my colleague the Minister of Finance, but to go into the treaty now is contrary to the rules of the house. Parliament has taken a decision.

Mr. Peters: You are still taking a decision.

Mr. Martin (Essex East): I do not think my hon. friend, for whom I have a high regard, understands the complications of the point at issue. I think the situation is as I have outlined it, and to argue now on the merits of the Columbia treaty is absolutely contrary to the rules of parliament. We have taken a decision. My hon. friend must address himself now to whether this particular item in the estimates should or should not be accepted.

Mr. Herridge: Mr. Chairman, I definitely disagree with the opinion expressed by the Secretary of State for External Affairs. I fully expected him to make that argument, but I am giving reasons why we are opposed to this increased financial burden on the people of Canada as the result of this item in the estimates. I am giving the reasons for requesting in the first instance that this matter be brought before the house in the form of a bill rather than a simple resolution with regard to which the house only had the opportunity to say yes or no, with no opportunity to amend as in the case of a bill, something to which we had looked forward. In that connection I believe I have the right under the rules of the house to place before the committee the reasons for my objection to this procedure and to this item.

I now proceed, Mr. Chairman, to read this letter addressed to the Secretary of State for External Affairs.

The Deputy Chairman: Order. I am sure the hon. member for Kootenay West realizes that in speaking on this vote he is not permitted by the rules of the house to reflect on any motion that has been passed during this session. I recognize the difficulty of the hon. member in speaking on this particular vote. I would think that his comments, in so far as they deal directly with the vote, would be in order, but I think it would be out of order to again go over the arguments for or against a resolution which has already been agreed to by the house.

Mr. Barnett: Mr. Chairman, I wonder whether I might be allowed to say a word on the point of order. Obviously the Secretary of State for External Affairs has some foreknowledge of what is contained in this letter but all other members of the committee, including yourself, Mr. Chairman, if I may say so, do not have such knowledge. It would appear to me, Mr. Chairman, that at least until we have some indication of the contents of the letter neither you as chairman nor the other members of the committee have any information as to whether or not the letter has a direct bearing on the item we are discussing.

Mr. Martin (Essex East): It has to do with the treaty.

Mr. Barnett: Therefore I feel that the hon. member for Kootenay West should be permitted to indicate to us how the letter relates to his argument on this particular item of the estimates.

The Deputy Chairman: Order. I think the position taken by the hon. member for Comox-Alberni is quite right. I am not ruling the hon. member for Kootenay West out of order so far as reading the letter is concerned. Naturally I do not know what the

letter contains. What I am saying to the hon. member is that I think he would be out of order if he were to discuss the details of the resolution which has already been agreed to by the house. I am not ruling the letter which the hon. member is about to read out of order.

Mr. Douglas: On the point of order which Your Honour has raised, no one would disagree with your ruling that it is not proper to go back and debate a resolution already passed by the house but, if I gathered correctly, the hon. member for Kootenay West quoted the date of a letter as June 3, and letters of subsequent dates. I have not seen this correspondence but I would gather from his remarks that all of it has to do with events which have transpired since passage of the resolution. Therefore the correspondence in question does not deal with the resolution per se but with developments which occurred since the passage of that resolution.

Mr. Herridge: I want to explain that I am dealing with an exchange of correspondence on this subject since the hearings before the external affairs committee concluded. I would like to deal with that correspondence first, and I want to bring other matters to the attention of the committee because things have developed along certain lines quite different from what we expected.

I claim that the committee on external affairs was not fully informed, was not accurately informed, and I think we have a right to raise this matter on this estimate. I want to deal later on with assurances given to the committee by the Secretary of State for External Affairs as to the treatment that some 2,000 people would receive who will be affected by the building of one of these dams in particular, and with what has happened since so far as the B.C. hydro and power authority is concerned. Also, Mr. Chairman, I want to deal with the fact that we were assured in the committee that the conclusions were final, that the sites of the dams were the best that could be secured and that the best engineering advice had been obtained.

Mr. Martin (Essex East): I do not want to interrupt but it is obvious that we are discussing the treaty, and this parliament has made a decision on that treaty. I have no objection to my hon. friend referring to these letters, but the context in which he is referring to them is not germane. The issue before the committee is simple. It is whether or not this estimate should be accepted by the committee, and any argument as to the merits or demerits of the procedure that followed the study of this matter in the external affairs committee and its adoption in the house is not relevant. Citation 148 (1) of Beauchesne's fourth edition states:

> It is a wholesome restraint upon members that they cannot revive a debate already concluded; and it would be little use in preventing the same question from being offered twice in the same session if, without being offered, its merits might be discussed again and again.

My hon. friend, who is a distinguished and experienced parliamentarian, knows this. Let us have the discussion on the item, but let us not discuss whether the treaty was sound or not.

Mr. Pugh: If we accepted the statement just made by the Secretary of State for External Affairs we would be precluded from bringing up at any time in the future anything to do with the Columbia river, the treaty, and all the rest of it.

Mr. Martin (Essex East): No.

Mr. Pugh: Just hold on a minute. We have a letter here dated June 3, and surely this is after our discussions. I do not have to go back too many years to recall when the hon. gentleman was advocating the very opposite of what he is now saying.

Mr. Martin (Essex East): I think I can shorten this. I have no objection to the letter being read, but what I have raised is that the hon. gentleman, during the last few minutes, was arguing the merits of the treaty. Let him discuss or show how the letters have a bearing on this present matter, but let him not discuss what we have already decided.

Mr. Douglas: Before we start on this let us be clear so that we do not get into a continual tangle. What the house has decided by resolution is to approve a treaty signed by the government of Canada and the government of the United States.

Mr. Martin (Essex East): And a protocol.

Mr. Douglas: What we are trying to discuss today is a supplementary estimate to give financial effect to the implementation of that treaty. Surely the minister cannot separate the giving of financial effect to the treaty and some discussion of the treaty, particularly if certain aspects of the treaty are being departed form and if new steps and new measures have been introduced in the meantime?

I submit that the resolution which was passed by the house does not put the treaty into effect unless this estimate is passed.

Without this estimate the treaty is only paper. Therefore, surely this committee has the right to go into any departure from the treaty or any events which have transpired since passage of the resolution. It seems to me the hon. member is quite in order and ought not to be restricted to the narrow base suggested by the Secretary of State for External Affairs.

Mr. Gordon: Perhaps I may say a word on this. Under the treaty the Canadian government will receive 254 million United States dollars. All this estimate covers and all it asks for is authority to invest those dollars in medium term securities. That is all this estimate deals with.

Mr. Douglas: The minister says that is all that is asked for. It is a good deal to ask for, and it seems to me that before the committee approves the authority which the minister is seeking we have a right and an obligation to look into the extent of the use to which this money will be put to see if it is in keeping with the treaty which was approved by resolution of the house.

The Deputy Chairman: I think I should remind hon. members of the second part of citation 148 (2) at page 126 of Beauchesne's fourth edition which, in part, says:

> It is irregular to reflect upon, argue against, or in any manner call in question, in debate, the past acts or proceedings of the house—

I recognize that in discussing this item we would have to draw a fairly fine line between the actual proceedings which took place in the external affairs committee, the decision made in the house and the vote now before the committee, but I believe the hon. member for Kootenay West would not be in order if he were to call into question the decision taken by the house. However, if in discussing the item before the committee he wishes to make comments regarding the purpose for which this money is being allocated, that would be in order. But I would question his being in order if he were to rehash the whole debate on the resolution dealing with this particular point.

Mr. Leboe: May I ask the Minister of Finance a question. What would happen if this supplementary estimate did not pass? What would happen with the cheque you were going to get from the U.S. government?

Mr. Gordon: The 254 million United States dollars received would be converted into Canadian dollars and deposited in Canada. Then the equivalent Canadian dollars, 275 million, if it were so desired and if the committee approved, would be used to buy U.S. dollars which could be put into the exchange fund or, as this item suggests, held separate in the form of medium term U.S. securities. The government has the authority to add to the exchange reserves but it has not got the authority to invest in medium term non-marketable securities, and this is all that is being asked now. From the standpoint of our finances and from the standpoint of a backstop to our exchange reserves this is a highly desirable move, and I have no hesitation in asking authority to pursue it.

Mr. Leboe: It is not absolutely necessary, as I understand it, for this supplementary estimate to pass in order to receive a cheque from the United States. What we are dealing with here is something subsequent to the transaction; it is an administrative problem which would exist after having received the money from the United States, not before. Am I right in that assumption?

Mr. Gordon: That is my understanding.

Mr. Pugh: Must the Canadian investment be in United States securities?

Mr. Gordon: As I understand it, the United States authorities are not anxious to see a sudden drop in their exchange reserves of $254 million at one time. They have a balance of payments problem, as we have, and we are doing our very best to meet each other's difficulties. We think it makes sense from their point of view, and we wish to accommodate them. If we do so, we hope they will accommodate us on occasions when we have a problem. It is one of the ways in which things should be worked out between two friendly neighbours.

Mr. Pugh: Is it not a fact that we too have a problem with regard to the international balance of payments? The first quarter of this year was another $100 million behind last year. The minister in his explanation said we were not getting as many American tourists up here as Canadians were going abroad. He has put the case for the United States government. Why not put the case for the Canadian government; because if our balance of payments is getting behind, surely to goodness this money would be better brought into Canada, held here and invested in Canadian securities. That is the only point I have to make.

Mr. Gordon: We have to distinguish in this transaction between our current account deficit in our balance of payments and the

over-all position. When we look at our over-all position we find that Canada's exchange reserves have held up remarkably well. I think last month they increased by some $20 million. So we do not need this $254 million in one fell swoop. It is quite satisfactory to us to invest this amount in these medium term non-marketable United States securities which we can take into account if we should need to. If it is done in this way it will not cause a sudden drop in United States statistics. It is all right for us this way. It helps us, but we are doing it in a way which will accommodate the United States.

Mr. Pugh: Once an investment is made in the United States, is it made on a term basis so that we in Canada will be able at any time to draw on that investment and bring it back to Canada and reinvest it here?

Mr. Gordon: I discussed that point two or three months ago with the United States treasury people and it was agreed between us that in practice if we needed this backstop it would be available. I am perfectly confident, from the conversations I have had that we could translate these non-marketable securities into marketable securities with the full approval of the United States authorities. I do not want to ask them for a formal agreement to this effect because then, I think, from a statistical point of view it would have to be shown as a reduction in their reserves. They do not want this to happen, and we do not need these funds at the moment.

Mr. Pugh: One further question. This government feels this is the best way to handle the situation? In other words we are not being forced into it by the United States in any way, shape or form? Our present government feels they want to do it this way?

Mr. Gordon: That is correct. I can give the hon. member the assurance of the government and my personal assurance that this is a good way of doing it.

Mr. Herridge: Let me assure the committee that I do not intend to discuss a previous decision. I simply want to bring to the attention of the committee the fact that after we had been assured of certain things in the committee on external affairs it is obvious from recent action taken by the government of British Columbia that there are no grounds for such assurances. Second, that despite certain assurances given us in the committee that persons who will be directly affected by this legislation would receive every consideration, the very opposite is about to occur in the district I represent.

I should like to take this opportunity of dealing with these matters, because the circumstances are not as members of the committee were informed at the time. In this connection I should like to read some interesting correspondence which has gone on between the minister and General McNaughton since the committee which was dealing with this question rose. I should like to call attention to a most unexpected development with respect to an action on the part of the British Columbia hydro commission, and I should like the opportunity to bring to the attention of this committee the evidence we already have of the fact that there is going to be a breach of faith with the people I have the honour to represent, with respect to relocation and compensation on the Arrow lakes. I am sure the members of this committee have patience enough to listen to me for at least an hour or two on this very important matter.

Now I should like to begin reading this letter.

Mr. Leboe: I wonder if the hon. member would permit a question. Is it not a fact that these negotiations are subject to arbitration, as are all expropriation matters?

Mr. Herridge: That is quite right. The owners of property have the right to go to arbitration and later to the courts.

An hon. Member: The B.C. power corporation did.

Mr. Herridge: Yes, and let me say that the only purchase we have had to date was a most unfortunate purchase for the poor rancher concerned. I want to forestall anything like that happening in the future. Again I will begin to read this letter:

The Hon. Paul Martin, P.C., M.P.
Secretary of State for External Affairs,
Ottawa.

Dear Mr. Martin,

I now have a copy of the external affairs committee minutes No. 28 giving the text of your closing statement to the committee on Thursday, 21 May, 1964.

In this, you make reference to the views I have expressed to you on numerous occasions, notably, contrary to the inclusion both of the Libby and of the high Arrow projects in the plan of development to be authorized by the Columbia river treaty; also to my advocacy of the Dorr-Bull river-Luxor storages in I.J.C. seq. IXa in lieu. In this connection I note (page 1435) you refer to an 'independent' assessment by the Montreal Engineering Company as confirming the conclusion of the

government experts and suggesting that when I made my concluding remarks on 15 May, 1964, I might have indicated precise figures in correction. May I mention that as part of my presentation on that date I tabled a report dated 13 May, 1964, which had been worked out by Mr. Larratt Higgins analysing Dorr-Bull river-Luxor as the alternative to high Arrow in a phased development to meet stated U.S. requests for flood control to their "primary" objective and to match forecast Canadian loan requirements. This estimate follows the same principles of evaluation at site and downstream, which had been adopted by the Montreal Engineering Company.

Mr. Higgins' report shows that when appropriate use is made of Mica storage capacity in the interim prior to machining that very large savings in cost, and substantial increases in production, can be realized over high Arrow in the treaty.

I would point out that the principal reason for this satisfactory result is the fact that the waters originating in the East Kootenays are stored at the highest altitude available subject to supply. Despite the fact that the average annual increment of regulated flow therefrom diverted to the Columbia of 5.8 million acre feet is considerably less than the 7.1 million acre feet which might be obtained from the high Arrow, nevertheless the stored energy available for release at site and downstream in Canada and the United States is very much greater.

I gave the figures in my presentation to the external affairs committee on 15 May 1964 (see pages 1321/22 of minutes No. 26).

For your convenience I repeat this information in tabular form to which I add a part III giving the allocation on the basis of Canada being entitled to one half the benefits in the United States. This was omitted from the record inadvertently.

Then there is a short table here which I would ask the permission of the committee to have included in *Hansard*, without reading it, in order to not take the time of the house. It is a sequence of figures. Have I the permission of the committee, Mr. Chairman?

Some hon. Members: Agreed.

[*Editor's note: The table referred to above is as follows:*]

	High Arrow 7.1 MAF	Dorr-Bull River-Luxor 5.8 MAF*	
I Average Head Feet			
Canada	52	1165	
U.S.A.	1150	1150	
Total	1202	2315	
II Energy available for release in MWY			Gain by Dorr-Bull R.-Luxor
in Canada	37	675	+ 638
in U.S.A.	815	667	— 148
Total	852	1342	+ 490
III Allocation on the basis that Canada is entitled to ½ the power benefits in the U.S.A.			
in Canada	37	675	
in U.S.A.	407	333	
Total	444	1008	+ 564

*(regulated diversion from 4.8 MAF of storage supported by Dorr pumping)

Mr. Herridge: The letter goes on:

It is, of course, these very large increases in available energy from storage which is the source of the inherent flexibility of sequence IXa in the early period when firm power is an objective in Canada.

Moreover, later on when the systems mature it is the large stored energy in sequence IXa which provides a means of carrying the heavy seasonal upswings of hydroelectric generation instead of by installing the additional large, and expensive to operate, thermal plants which would otherwise be required.

Surely Canada is entitled to a half share of this form of peaking benefit which derives from the large energy releases from the Canadian storages, in the form of a saving in U.S. investment in thermal plants.

In the absence of the independent computer studies on this aspect of co-operation between Canada and the United States systems which I have advocated, but which have not been made available, it is not possible to give precise figures of the savings which will result. However in this connection I note that Mr. Cass-Beggs, who is well informed on the value of storage in system operation, in his presentation to the external affairs

committee on 14 May, 1964, minutes No. 25, page 1239) stated "water withdrawn from storage... would be firm power... available when you need it to meet peak loads... valued at 4 or 5 mills per kilowatt hour in the U.S."

On the basis of the lesser value, namely 4 mills per kilowatt hour, the average annual incremental release of energy from Dorr-Bull river-Luxor over high Arrow of 490 MWY would be worth 17.4 million dollars annually. This at 5 per cent would pay interest on an added investment of $348 million, whereas under the latest figures given by Montreal Engineering the extra cost of Dorr-Bull river-Luxor over high Arrow is 187.1–129.5=$57.6 million (minutes No. 27, page 1406); that is about 1/6 of the added expenditure which would be justified by the greater energy release available from Dorr-Bull river-Luxor.

Surely, Mr. Martin, such a gain in power in its most valuable form, not to mention the other advantages of sequence IXa such as the maintenance of Canadian control over East Kootenay waters, is a worth-while objective and evidences the need for renegotiation being insisted upon by the responsible government, the government of Canada.

I do not propose to go through again the detailed comments which I have made to you in our correspondence and to the external affairs committee in my presentations on the proposed Columbia river treaty and protocol and sale agreement because these are all reproduced in the committee's minutes. I merely state at this time that I reaffirm the views I have stated to you.

Also that I have examined the comments made by your adviser Mr. G. M. McNabb and it is my view that he has failed to appreciate the true import of the various clauses of the treaty and protocol in question and the importance and equity of the various proposals I have made in correction.

For example in my presentation the importance, in regard to flood control, of an effective and continuing deterrent to abuse and the limitation of the objective at the Dalles; this so that, as the U.S. continue to move out into the flood plain of the lower river, the operation of Canadian storage shall not be increased as would be the case under the present wording.

Also, in regard to power, I draw attention to my proposal that the treaty should be revised to implement the principle agreed to in the I.J.C. that benefits from the co-operative use of Canadian storage should be equally divided and that all forms of benefit should be included.

In this connection also I have recommended that annex A, paragraph 7, et sequence, which sets up a criteria of operation on a basis of optimization of system benefits, which is contrary to I.J.C. principles, should be replaced by a criteria which will provide for a "best use value" of Canadian resources in head and flow in Canadian at site generation as is customary in interconnection agreements between utility systems.

Failing correction of these points, I repeat my view that the treaty and the protocol should be rejected by parliament.

In this connection I would invite particular attention—

The Deputy Chairman: Order. I should like to point out to the hon. member that, following his previous remarks, I have listened to him very carefully and have given him the opportunity of saying sufficient to enable me to judge the tenor of his remarks. I believe now that the hon. member is reopening a matter which has already been decided. I would refer him to paragraph 3 of citation 148, page 127 of Beauchesne's fourth edition, which says:

> Reference to debates of the current session is discouraged even if such reference is not irrelevant, as it tends to reopen matters already decided.

If the Chair permits the hon. member for Kootenay West to proceed as he has in the last three or four minutes, I shall have to allow other members of the house to do the same thing, and in effect we will be reopening a debate on a matter which has already been decided. I believe if the hon. member were to continue his remarks in the tenor of the last few minutes, I would have to consider him as being out of order.

Mr. Herridge: Thank you, Mr. Chairman, for your comments.

Mr. Byrne: On the point of order, Mr. Chairman, I simply want to say, so that I do not engage in a debate that has already taken place in the house, that it is quite obvious that, as old soldiers never die, neither do old politicians.

Mr. Peters: That is a really great remark.

Mr. Herridge: You can see, Mr. Chairman, what rests in the mind of the hon. member for Kootenay East.

Mr. Peters: The respect he has for soldiers, too.

Mr. Herridge: He would not know what that meant.

Mr. Byrne: If the hon. member intends to continue reading that letter, Mr. Chairman, I ask for a further ruling that he be not permitted to continue this debate.

The Deputy Chairman: I have already given the ruling and have quoted the citation of Beauchesne in support of my ruling. My ruling is that a reference to a debate of the current session is discouraged even if such reference is not irrelevant, as it tends to reopen matters already decided. It is the opinion of the Chair that the treaty dealing with the Columbia river has been decided, and any reference to that treaty does nothing more than reopen an argument already decided. I would urge the hon. member for Kootenay West to confine his remarks as closely as possible to the item before us and the reason for that item or vote.

Mr. Herridge: Mr. Chairman, of course I accept your ruling. However, there was one paragraph I read which would indicate that we were reopening the question, and I have

some other correspondence which I will take the opportunity to place on record at the appropriate time, which I presume will be on the first item of the estimates of the Department of Northern Affairs and National Resources.

Now I want to bring to the attention of the minister, because this is the only opportunity I have of so doing, that we were given in the committee certain information with respect to the sites of the dams and the cost of construction.

Mr. Gordon: This minister?

Mr. Herridge: No, not the Minister of Finance. I said this was in the committee. We were given evidence by certain experts and consultants regarding construction costs, etc., and were told that these matters had been concluded. These sites were said to be the best possible; the construction costs were known, the flowage costs were known. We were told we were being given definite facts. Now we find the government of British Columbia has a doubt in this matter. After having before us a gentleman whom we were informed was the world's leading expert on the safety of dams, we now find the government of British Columbia has appointed a five man commission to check into these questions. I should like to refer to their terms of reference, and I bring this matter to the attention of the minister because this is a development which has occurred since the house made a decision:

B.C. drafts expert power dam scheme.

Five top authorities on power dam construction have been commissioned by B.C. hydro to vet all plans for construction of B.C.'s three Columbia treaty projects.

Dr. Hugh Keenleyside, B.C. hydro chairman, said Tuesday that this board of engineers, which will meet in Vancouver shortly, has been asked to review the designs for Mica, Arrow and Duncan dams—

—and these are the designs for which this money is being paid. We were told that the designs were known and had been determined. We were shown pictures of the Mica, Arrow and Duncan dams. We were told that the sites had been selected and were the best obtainable. We were told that construction materials were the best available and in close proximity to the dams. This report continues:

—construction plans and other matters affecting safety and economy.

As I said before, we had a gentleman brought before us from Harvard University who we were informed was the world's leading expert on the safety of dams. Now the government of British Columbia will have a five man commission check into these matters. The report continues:

The members of the "Columbia board of review" are John O. Gorman, senior officer of Ontario hydro and adviser on geological and foundation investigations; J. Gordon Watson, chairman of the Saskatchewan river development board and chief engineer of the prairie farms and rehabilitation administration; Lt. Gen. Raymond A. Wheeler, U.S. army retired; J. Barry Cooke of San Rafael, Cal. and Calvin V. Davis, chairman of the board of Harza Engineering Co., Chicago.

At their initial meeting here, the board will visit each of the three dam sites and meet separately with the consultants responsible for each project.

In addition to reviewing plans for the dams, the review board will visit the projects periodically during the construction to ensure that the dams will be built according to designs and specifications that they have approved.

Dr. Keenleyside stressed that the establishment of the board was in no way a reflection on the work being done by the engineers who are designing the dams.

Lt. Gen. Wheeler, commanding general of the U.S. army forces in India, Burma, China from 1942-45, was appointed chief engineer for the U.S. army in 1945. For the past two years he has been chief adviser on water and power for the international bank.

Mr. Cooke and Mr. Davis are both recognized as international authorities on major dam construction. Both have been responsible for numerous important projects in different parts of the world. Mr. Cooke also is a member of the review panel for B.C. hydro's Peace river project.

Geology and soil mechanics engineer with Ontario hydro since 1954, Mr. Gorman carried out geological and soil studies on both the St. Lawrence seaway and Niagara projects in addition to all other Ontario hydro dams erected since 1940.

In addition to many other important assignments, Mr. Watson was planning and design engineer on the South Saskatchewan river project and is chief construction engineer for the prairie farm rehabilitation administration.

I mention that, Mr. Chairman, because these people are being appointed to check facts which we were told were already known. The facts and costs and so on were all known.

Now what has happened? In the United States they are finding some difficulty in selling these bonds. And do you know why? Because there is a surplus of power where it has been decided to sell these bonds. There will have to be an intertie connection or a power line from the northwestern United States to California which is estimated to cost $690 million. This means that a bill has to be put through congress in connection with the appropriation.

There is some difference of opinion over that. Discussions are already being held in the United States concerning whether, in view of the amount of $690 million which is

required, it is necessary to build the Libby dam, which is a marginal dam, at a cost of $350 million. Also, further consideration is being given to the high Arrow dam project. I would not be a bit surprised to see Mr. Bennett use the advice of United States experts—and notice the standing they have in the United States—to do another about turn on the Columbia river treaty. This is being talked about, and other leading engineers have expressed their opinions with respect to the revision.

What is behind all this? What is behind it all is that the United States authorities are determined, if they have to build this tie-line to California, that they will need Columbia power, all they can get, and also utilize surplus Peace river power, and so on, all the way up to the great power resources of the Northwest Territories and the Yukon, which totals 20 million kilowatts.

Now, when did this occur? I want to draw this matter to the attention of the younger members of the committee who are possibly not so well informed on this matter. I want to refer briefly to pages 108 and 109 of "The Market for Rampart Power, Yukon river, Alaska", study by the committee on public works of the United States Senate, 1962. I wish to quote this passage to bring to the attention of the committee what is likely to happen in the future, and I trust that this government is alert to the situation. Paragraph 2 on page 108 says:

> Introduction.
>
> The feasibility of establishing an aluminum industry in Alaska was determined favourable early in the 1950's by the Aluminum Company of America. That company proposed to divert waters of the upper Yukon river from Canadian territory to the vicinity of Skagway, Alaska. The Taiya project would have developed in two stages over one million kilowatts of power capacity and 400,000 short tons of primary aluminum capacity at a total investment cost estimated at $700 million. The first stage of the development, 200,000 tons of aluminum capacity, would have added about one third to the then capacity of the United States, reflecting Alcoa's confidence toward placing a substantial share of the aluminum industry in Alaska.

The Deputy Chairman: Order. I should like to point out to the hon. member for Kootenay West that the purpose of this vote is to provide for the purchase of United States securities with United States dollars paid to Canada, pursuant to the treaty between Canada and the United States of America relating to co-operative development of the water resources of the Columbia river basin. This vote deals with certain securities which deal with a treaty which has already been passed by the house. The hon. member is

[Mr. Herridge.]

trying to reopen the debates on the Columbia river treaty. I feel I should remind him of standing order 59 (2) which states that speeches in committee of the whole must be strictly relevant to the item or clause under consideration. I respectfully say to the hon. member that I do feel he is reopening the debate on the Columbia river treaty, a matter which has already been decided.

Mr. Herridge: Mr. Chairman, I appreciate and understand your comments on my remarks. I apologize if I transgressed. I did not mean to reopen the debate on the Columbia river treaty. I was trying to point out what the effect would be if this estimate were passed by this house, if this government were not alert to the situation and to the objectives of United States interests and to the policies of the government of British Columbia. Really they are very closely intertwined. I was just using this estimate to point out the possibilities in the future, without going into the question of the Columbia river treaty. However, sir, I am quite sure that both of us are inclined to look at this from different points of view. Naturally, coming from Newfoundland, Mr. Chairman, you would be very objective about the matter. I admit that at times I am not completely objective.

I just want to conclude my remarks on this point before dealing with another aspect of this item. I am doing this because I want the government to be on the alert and realize what is happening. I continue to quote:

> The unwillingness of the Canadian government to support this Alcoa project was followed by development of a similar project by the Aluminum Company of Canada in northern British Columbia in the wilderness area of Kitimat—

Now, the background of that story is not any too well known. What happened in this connection was that Dr. Keenleyside, who was then deputy minister of the department in question, without authority of the minister, Mr. Winters, gave the president of the Aluminum Company of America a licence with regard to the exploration and development of this Rampart project, and so on. When this was discovered I happened to know that Mr. Howe was most indignant. The president of the aluminum company was invited to come to Canada, and at a dinner was told by Mr. Winters that the licence was going to be cancelled. Shortly afterward Dr. Keenleyside packed his bags and got a job with the United Nations.

This is all part of the same scheme. Regardless of our opinion of the Columbia, the purpose of these developments has always

been to build a power line from California to the Yukon and have a tremendous flow of British Columbia and Canadian power into the United States instead of having it go into a Canadian national grid. I take this opportunity, Mr. Chairman, because this is what I am confident is proposed for the future. I speak as a Canadian, and I speak as one from British Columbia who wants to see this power used to produce jobs in Canada, in British Columbia and in the Kootenays.

I have one other aspect, Mr. Chairman, I should like to mention before I conclude. This has to do with the question of compensation to persons affected. I trust the members of all parties will stand up and do their part to see that these people get justice. The Secretary of State for External Affairs told us he was assured that the persons affected by flooding from these dams would receive proper relocation or compensation therefore.

I have been asked by a large number of people along the Arrow lakes to raise this question in the house. Dr. Keenleyside came into the district and intended to speak to one or two chambers of commerce. This was not good enough for them, and they demanded that he speak at public meetings. They organized public meetings and he spoke at Edgewood and at Nakusp to between 350 and 400 people. He was battered with a barrage of questions which were not answered to the satisfaction of the people concerned. They were told that the there would be no replacement or relocation, and that compensation would be on the basis of market value.

I have a newspaper report here. I could read at length from it, Mr. Chairman, to indicate how very upset these people are. I happen to know that one of the farmers' institutes of the district has written to the Prime Minister bringing this to his attention. I know they have written other members. I have had letters also from the Castlegar to Revelstoke area. I am using this estimate as a means of bringing this to the attention of the house. To indicate what happened at this meeting, I should like to quote the headline on the article. "No Replacement Compensation says B.C. Hydro's Keenleyside". The article reads in part:

> Residents of the reservoir flood basin will not be compensated area for area, Dr. Hugh L. Keenleyside, co-chairman of B.C. hydro, told an enthusiastic audience of 300 in the Legion hall Tuesday.
>
> People who expect to get full compensation or replacement value for their homes will definitely not get it he said.

I am bringing this to the attention of the house and I trust I have the support of other members. After the assurance given in the committee on external affairs, after the statements that have been made by the chairman of the B.C. hydro authority and the speeches he made to the Vancouver board of trade and the Kelowna board of trade, this was a great shock to these people. I indicate this by quoting again from the article:

> Mr. Frank Lewis of East Arrow Park told Mr. Keenleyside that he had been promised by the co-chairman one year ago that he and other senior citizens would get help in relocation because they couldn't afford to move.
>
> "Tonight you have reversed your promise."

Then spokesmen from other areas got up. Finally one man, a veteran who has just completed paying for his home and was told he would get the market value, was told by Dr. Keenleyside that he would do what he could to assist him to borrow money to build a new home. This man said:

> If you are going to rebuild Celgar's dumps with new ones, then you should also replace the old houses with new ones.

He also said:

> I would like to make my position clear, sir. You'd better send a big man.

These people are very concerned indeed. I believe there is a responsibility upon the federal government to use its influence with the government of British Columbia and the B.C. hydro authorities to see that these people receive justice, are relocated and do not suffer in any way. They do not want to make a profit and they do not wish relocation at an improper expense to the B.C. hydro authority, but they want to be compensated so they will not suffer any actual loss because of this development. We are told this is a work for the advantage of Canada.

The Deputy Chairman: Order. I am sorry to interrupt the hon. member, but I must advise him that the time allotted to him has expired.

Mr. Barnett: Mr. Chairman, you will recall that the member for Kootenay West was just making a plea for the concern of members of this house from all parts of the country for the situation he has been describing. I feel that the vote we have before us places some rather stringent limitations on the total amount that may be authorized to be spent, and does give us cause for concern about this situation that has arisen subsequent to the ratification of the Columbia river treaty by this house.

Some members who are present will recall the period when the St. Lawrence seaway was under construction and the reports that were made in the house with regard to how the people of the area affected by that development were being relocated, steps which in many cases involved the moving and relocating of people almost in complete towns. As a member from British Columbia at that time I enthusiastically supported the taking of equitable action with regard to the people who were involved in that development in the central part of Canada.

Now that the parliament of Canada has seen fit to authorize a type of development in British Columbia which involves the flooding out of many of the people in the Arrow lakes area, I feel that parliament certainly should be concerned to see that those people in that province are treated with equity equal to that which was extended and supported by parliament in the case of the development of the St. Lawrence seaway.

I think the hon. member for Kootenay West has given us cause for a good deal of concern about some of the developments that have taken place since we saw fit to ratify the treaty. He has given us some cause to consider whether, if our fellow citizens in the area most immediately affected are to be treated with justice and equity, the liability on the part of the government which parliament is being asked to ratify will be adequately or properly discharged with the kind of limitation of figures found in the vote before us. In this situation I feel that one of the matters which should be of concern to us before we decide to pass this item is whether it will satisfy adequately the financial responsibility which parliament has a moral obligation to assume in connection with the development in the Columbia river valley which we earlier authorized to take place.

Mr. Peters: Mr. Chairman, I only want to say a few words on this item. I note in the estimate that we are being asked to transfer some of the money paid by the United States to the government of Canada. We are actually being asked to convert this money into U.S. dollars and to leave the amount in the United States. If you read the item you will see that it goes on to say:

> ...relating to co-operative development of the water resources of the Columbia river basin, together with any protocol or exchange of notes relating thereto, of such obligations of the government of the United States as may be approved by the governor in council...

We are now being asked to allow this money to remain in the United States, and I am wondering for what reason we were originally to be paid $254 million. If it was to assist in the development of the Columbia river project, then obviously we should not be turning this money over to that country even in the form of investment in short term bond issues of that country, but should be retaining it in Canada.

I think we are all concerned about the method used in dealing with the Columbia river treaty in the first place. A bill should have been introduced and the problem should have been completely understood. That matter has been decided, but in some respects it would appear that perhaps it has not really been decided after all. If we have this obligation for which we are paying $254 million in U.S. dollars, it would appear to me that we will be asked in a further estimate to provide that amount of money in Canadian dollars, which will make it that much easier for the United States to meet its obligations and create hardship to the same extent for the Canadian people.

Certainly the government of Canada was not to have this money in payment of its contribution in a national sense. Obviously the decision reached between the federal government and the United States government was that the development of the potential of the Columbia was a matter of provincial jurisdiction in Canada, and therefore the province of British Columbia had the right to make a call on the moneys paid.

In my opinion this will involve a further expenditure. In addition to the supplementary estimate we have before us now, it will very likely result in an additional estimate of an equal or greater amount. The amount of money we are generously lending the United States on a short term basis will have to be raised by the Canadian people in order to proceed with the Columbia river complex and we will be asked to vote a further amount. I believe the Canadian people will be very concerned about what is involved in this supplementary estimate. Neither the purpose nor the reason for this vote has been made clear to the public.

I think the matters raised by the hon. member for Kootenay West must be given very close scrutiny, and there must be a statement by the government that they intend to correct some of the faults already evident and which can be corrected by the sum of money being paid by the United States. This money was supposed to represent compensation paid to Canada for benefits that the Canadian people were losing.

Yet we are told that people in British Columbia, who are affected by the treaty and by the estimate we are discussing, are not being given reasonable or adequate treatment in the expropriation of their properties.

It would seem to me that the situation in British Columbia will involve problems similar to those that developed and were faced in other parts of Canada, particularly in relation to the expropriations made necessary by the flooding for the St. Lawrence seaway. In the general interests of a community expropriation can be used, but a bending over backward must take place in relation to the rights of individuals who suffer as a result of expropriation. In my view this amount of money was to be paid by the government of the United States to see that people displaced were treated properly.

May I call it one o'clock, Mr. Chairman?

The Deputy Chairman: Order. It being one o'clock I do now leave the chair.

Mr. Benidickson: Perhaps the hon. member for Timiskaming has forgotten the new rules.

Mr. Peters: I apologize, Mr. Chairman, for the inconvenience. When we make a mistake we are quite willing to admit it. It would be a good thing for other people to do likewise.

I was dealing with the matter of expropriation, and already there is an indication from Mr. Keenleyside that he does not intend to honour some of the commitments previously made. We have on record this morning statements by some of the organizations concerned that the commitments originally made were not going to be kept.

It appears to me there is some relationship between this supplementary estimate and the moneys which can be paid, and without having seen the exchange of letters we must conclude that there was a request from the United States government to the Canadian government to invest in these medium term securities. I am quite sure the United States government is as familiar with the situation in Canada as we ourselves, and knows our balance of exchange is no better than that of other countries and is becoming increasingly difficult as time goes by. The advent of a large sum like $275 million would be advantageous to our balance of payments, and the fact that it is not being used in this way is an indication that the United States has asked that the money be not removed from the American market.

It is unfair for the supplementary estimate to contain statements referring to the protocol and letters of exchange without allowing the committee the benefit of those directives. I believe we should use this money to provide adequate, and even better than adequate expropriations for those who are going to be affected by the terms of the treaty, and that we should keep the money in Canada.

Mr. Leboe: Mr. Chairman, I do not think we should let some of the remarks that have been made in connection with this witch hunting pass unnoticed. Mr. Keenleyside, as a member of the hydro commission, has an obligation to the corporation and to the people. He is certainly not going to play Santa Claus, and that is to be expected, but we do have the commitment of members of the government that fair treatment will be given these people. This was mentioned in the external affairs committee and is a matter of record.

I asked the hon. member for Kootenay West whether these expropriations were subject to a board of referees. This is a practice that has existed over the centuries and when the time comes these people in the affected areas will not be asking for arbitration because they are going to get a better deal without going to arbitration. In so far as the statement of the hon. member for Kootenay West is concerned I want to make that correction. This is what I call witch hunting. We have had a long discourse on the evil thoughts of the Americans in connection with this whole matter, and there has been a suggestion of underlying currents.

What is wrong with having a power line from northern British Columbia and the Yukon, shall we say, to California? It is very nice down there, and maybe some people would like to go down there, live on their pension cheques and use some of the Canadian power. Again I mention that I would not like this passed without calling attention to the witch hunting that is going on in this committee.

Mr. Thompson: Mr. Chairman, may I draw your attention to the fact that we do not have a quorum.

The Deputy Chairman: I will make a count of the members.

And on the count being made, more than 20 members were declared to be present.

The Deputy Chairman: A quorum is present.

Mr. Thompson: A few minutes ago there were 12 members in the chamber. There was not one member in the seats of the Conservative opposition.

Mr. Ricard: I take objection to this. We have permission to run in and out of the house because we have business to do outside the house. The hon. member himself is not often in the chamber.

Mr. Thompson: There was not one member on the Conservative benches a few minutes ago.

Mr. Pigeon: That is not a fact.

Mr. Thompson: It is correct.

The Deputy Chairman: Shall the resolution carry?

Mr. Herridge: Just before it passes I want to deal briefly with a matter that comes under the responsibility of the federal government. I may say we must acknowledge the fact that there are two members of the Social Credit party in the chamber and eight members of the Liberal party, so we are doing pretty well indeed.

Dealing with the question of relocation and compensation, the federal government has some responsibility with respect to the veterans affected. There will be 50 or 60 veterans affected by the building of the high Arrow dam. Some of them purchased properties under the Veterans Land Act and some purchased properties directly themselves, but as a result of Dr. Keenleyside's visit to the district they are very concerned. They held a meeting in the village of Nakusp attended by some 150 delegates, and I would like to read briefly from the Arrow Lakes *News* of June 25 with respect to the resolution adopted at that meeting. The article in question is headed, "Legion Convention gives Backing to Hot Replacement Question," and it reads:

> The West Kootenay zone of the Royal Canadian Legion resolved to ask the Department of Veterans Affairs to provide professional assistance to those veterans which will be affected by the Columbia river development projects.
>
> The resolution was presented by Branch 20, Nakusp, who were the hosts for the week end convention...
>
> A general meeting of the Branch 20 membership voted unanimously in favour of the resolution:
>
> Whereas the veterans residing in the flood basins of the Columbia river, who are to be affected by the treaty, will be at a disadvantage negotiating with trained officials of the B.C. hydro authority;
>
> Whereas experience has shown great variance in allowances for similar properties received from hydro authorities for similar areas for no apparent reason;
>
> Whereas these affected veterans are in fact negotiating for the interests of Veterans Land Act, National Housing Act, soldiers settlement board and others as well as those of their own;
>
> Therefore be it resolved that the Department of Veterans Affairs be asked to provide professional assistance to veterans affected by the Columbia river development projects.

Another resolution was adopted by the convention in the following terms:

> With regard to displacement of persons living in the area to be flooded by the Columbia development projects:
>
> Whereas it has been stated in verbal and written form by Dr. Keenleyside that market value will be the criterion used in the purchase of property of affected persons, and
>
> Whereas the use of market value can mean a very great hardship on people who cannot afford to pay the difference between market value and actual cost of replacement; and
>
> Whereas many veterans will be affected by the system of market value settlement;
>
> Therefore be it resolved that the Royal Canadian Legion support the principle as follows:
>
> When a person, or persons, are forced with the necessity of having to move; where a cash settlement is not suitable, that B.C. hydro resettle that person in accommodation not less favourable to that person at no cost to the person being resettled.

I bring those two resolutions to the attention of the committee because they were adopted at a zone convention concerned with the welfare of the veterans and of all those persons affected. The president of the Royal Canadian Legion of the province of British Columbia wired me in this respect as did the secretary of the branch concerned. I do urge that the government and the Department of Veterans Affairs particularly should bring their good offices to bear so as to assist these veterans in connection with expropriation or purchase. We recall what has been done in this regard by the national capital commission, which has in my opinion treated people very fairly and properly. We remember what was done in connection with the St. Lawrence seaway. Every person who had to be relocated was relocated at no cost to himself. Houses were moved back, and in most cases new basements were built to the satisfaction of those concerned. Then, in connection with the Saskatchewan dam, those farmers and others who were affected were compensated not on the basis of market value but on the basis of the potential value of the properties they were being asked to leave on account of the development.

I do urge that the government through the Department of Veterans Affairs take whatever action it can to assist these veterans in the area to obtain justice, and I urge that the government as a whole should take an interest in the developments which are occurring in British Columbia with respect to these projects. I am sure that many interesting things are going to happen in the future. As I have said before, regardless of our opinions

respecting this treaty, no Canadian should be treated unfairly and unjustly to the advantage of the community as a whole. That is all I intend to say at this time and I thank the committee for listening to what I had to say, though I am sure they were at times somewhat bored with my repetition of these important matters.

Mr. Ryan: In one serious respect I believe the hon. member for Kootenay West has given the committee a mistaken impression. We were told in the committee on external affairs when the treaty was before it that preliminary plans were in existence for all three Columbia dams and that working drawings existed with respect to two of them. We were also told that an engineering board would be reviewing and examining the plans and actual construction. I submit this five man board which has been appointed is in line with what we were told in the committee.

Mr. Herridge: The hon. gentleman is confusing the permanent engineering board, which will represent Canada and British Columbia, with that other body. We were told nothing whatever about this new review commission. The hon. member is confusing this new commission or review board, which is the creature of the British Columbia hydro and power authority, with the permanent engineering board which will be responsible to governments for the whole project.

Mr. Leboe: The hon. member for Spadina is right. We were told in the committee that this was to be set up. It is a special board to make sure that the work will be coordinated.

Mr. Winch: Would the hon. member for Spadina tell us, as a result of his knowledge of what is going on in the external affairs committee, whether that committee was given any indication of the announcement by the premier of British Columbia that he is now tying in a third river development requiring the damming of the Fraser river for hydro purposes? This is a most important matter. Now it appears we have moved away from a two river development to a three river development in British Columbia, and if my recollection of the plan put forward by General McNaughton is correct, it looks as though the premier is in part reverting to General McNaughton's plan. Can the hon. member tell us whether this is before the committee in any way or whether any representations have been made to the committee regarding this new three river development, which was announced I think about four days ago by Premier Bennett?

Mr. Ryan: Of course I can give no answer to that question. Furthermore, the question is completely irrelevant to the subject now being considered.

Mr. Leboe: I can answer that question quite simply. It was given in the committee by Ray Williston in connection with the Fraser river engineering board report. Drilling and everything else has gone on on the upper Fraser. The testing is already being done.

The Chairman: May I suggest to the members of the committee that we are now going over matters which have previously been discussed? I would suggest that this exchange is out of order.

Mr. Barnett: I should like to return for a moment to the question of the financial obligations of the government of Canada and to the responsibility of this parliament generally in connection with the voting of money.

The particular point I wish to raise has reference to some of the observations made a little earlier in our proceedings by the hon. member for Cariboo when he referred to "time honoured expropriation proceedings". I am quite sure that the persons who will be responsible for the valuation of properties as a result of the development which is to take place will probably do a competent job. But the point I was trying to make earlier is that it depends upon the terms of reference which these people are given. I happen to have some recent experience with an incident involving the appraisement of land, and without entering upon a discussion of this matter I would refer to the situation arising out of the tidal wave disaster on the west coast. Appraisements there have been carried out on the basis of the depreciated values.

As I tried to say earlier, I think this committee should unanimously support the suggestion of the hon. member for Kootenay West that the people affected in the Arrow lakes area should be compensated on the basis of the cost of re-establishment and the replacement value of their properties. Certainly this is my understanding of the basis upon which compensation was available to people displaced by the St. Lawrence seaway project, and I was in this house at the time.

Since parliament has taken action by ratifying this treaty, and since it has assumed financial obligations in connection with it, as mentioned in the item before us, I suggest

this question of compensation is one of legitimate concern to every member of this house. We should be completely satisfied that those immediately charged with making compensation decisions have satisfactory terms of reference, and that those affected by their decisions shall be re-established as far as humanly possible without incurring any loss. The hon. member for Kootenay West has placed evidence on record to show that up to the present time this is not the policy being followed by the authorities charged with this responsibility within the province of British Columbia.

I suggest that this matter should be made abundantly clear. While we may be prepared to pass this item in the supplementary estimates at this time, it should be made clear at this time and there should be an indication in this house that unless certain changes are made in the policies which apparently have been followed up till now, this matter is by no means finished with as far as this parliament is concerned.

Mr. Byrne: On that point, Mr. Chairman, surely I, as one of the members of the external affairs committee that sat and heard evidence in respect of this matter, would be prepared to vote against this estimate if I were not convinced that the B.C. government and the chairman of B.C. hydro were prepared to carry out the commitments they have made.

The hon. member for Kootenay West read from a newspaper report taken, I believe, from the Arrow lakes *News*, concerning a large meeting before which the chairman of the B.C. hydro appeared. The hon. member did not read all that was said at this meeting. The report of the meeting indicates that it is the intention of B.C. hydro to carry out its commitments.

I am not aware exactly what "area by area payment" means, but I would like to quote something that was said by Dr. Keenleyside in this regard. It is also related to what the hon. member for Comox-Alberni has said:

> Dr. Keenleyside read from the water comptroller's terms for appraisals...fair market value of the property but will contain details of any circumstances which could be considered to give the property a value to its owner that is in excess of the fair market value.
>
> "The appraisal report will also give details of circumstances that would entitle an owner to compensation for disturbance and moving expenses".
>
> This means that many intangibles would be considered in each case. Sentimental attachment, back-breaking labour, home improvements, age, employment, desire to move and many, many more will all have to be considered, he said.

This is substantially what was said in the committee. While no doubt there is some misunderstanding, and understandable misunderstanding, on the part of the people who are going to be displaced, I think the situation is clear. I think it is to the credit of these people that they continue to bring these matters before B.C. hydro and the province of British Columbia in order that there will be no relenting in their desire to fully compensate people for removals and any other losses that are anticipated. But to say that B.C. hydro and the B.C. government are going back on their commitments is completely without any foundation whatsoever.

Mr. Herridge: Mr. Chairman, I represent those people and I am not going to sit here and have the member for Kootenay East suggest that I am not telling the truth. These people have written to me, hundreds of them; they are completely dissatisfied about what was said at the meeting that was addressed by Dr. Keenleyside. They got up at that meeting and said what I have quoted some of them as saying, namely that he had gone back on his word. They are very disturbed and put out about this matter. Also, Mr. Chairman, if the hon. member for Kootenay East does not know it, the farmers of the district have sent a letter to the Prime Minister bringing these facts to his attention. You must remember that when you come to deal with a weekly newspaper nowadays, all weekly newspapers take a very neutral approach to public affairs—we have lost the old fire and brimstone we had 50 years ago—because they are all dependant on governments for advertising and things of that sort.

I speak with knowledge and conviction, Mr. Chairman. These people are most dissatified; and so far as the veterans are concerned, they expect the Department of Veterans Affairs to do what they can to assist them to obtain justice. As far as the rest of the residents are concerned, they hope that the government of Canada will do what it can to make certain that these promises which have been made will be kept. As I have said before, I am very interested in listening to the hon. member for Kootenay East as being an apologist for the government of British Columbia.

Mr. Byrne: Mr. Chairman, I am not suggesting that the hon. member is not telling the truth as he thinks he knows the truth. All I was doing was reading what purports to be a correct interpretation of what took

place at that meeting. I am personally convinced that these people will be treated in a fair and reasonable manner, or I would certainly have voted against the treaty and would vote against this estimate. However, as I say, I am personally convinced that they will be treated in a fair and reasonable manner, and certainly we will see to it that they are.

Mr. Herridge: I want to get that clear, Mr. Chairman. The hon. member for Kootenay East I think pledged to the house that the government would see they were fairly treated, if I heard him correctly when he was concluding his remarks. I repeat that. As I heard it, the hon. member for Kootenay East said the government will see that these people will be fairly treated; so we expect that promise to be kept.

Mr. Byrne: Certainly, Mr. Chairman, it is up to members of parliament and the various governments to see that these people are fairly treated. I am sure no government would endeavour to avoid that responsibility.

The Chairman: Shall the resolution carry?

Some hon. Members: On division.

Motion agreed to.

Resolution reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Lamoureux in the chair.

Mr. McIlraith moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1965, the sum of $183,433,000.67, be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in.

Mr. McIlraith thereupon moved for leave to introduce Bill No. C-109, for granting to Her Majesty certain sums of money for the public service of the financial year ending March 31, 1965.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the bill be read a second time? Now?

Some hon. Members: Agreed.

Mr. Peters: Next sitting of the house.

Mr. Deputy Speaker: We need unanimous consent to proceed with second reading of the bill at this time.

Some hon. Members: Agreed.

Mr. Peters: No.

Mr. Deputy Speaker: There is not unanimous consent. The Chair cannot proceed and put the motion unless there is unanimous consent.

Mr. Scott: Next sitting.

Mr. Deputy Speaker: The Chair is in the position where there is not unanimous consent so it cannot proceed.

Mr. McIlraith: Mr. Speaker, I wonder whether there is not some misunderstanding about the appropriation bill which is based on these two items. I wonder whether there is a misunderstanding as to what the bill is or what the procedure is.

Mr. McIlraith moved the second reading of the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. Peters: Mr. Chairman, I should like to ask the minister a question. If we allow the purchase of short term bond issues in the United States with this money, is it the intention of the minister to come to parliament and ask for an appropriation to cover the money which has been paid? In other words, this money has been paid for a specific purpose. Some of that money, I am sure, was intended to be used as compensation. We are concerned with the payment of this compensation and the size of it. Is the government prepared to advance a sum of money either equivalent to or less than this amount to provide for that compensation while the short term loans are in process?

Mr. Gordon: Quite frankly, Mr. Chairman, I am not at all clear on the point the hon. member is raising. However, I do want to make it clear, because I am not sure that I did earlier, that this item in the supplementary estimates will give authority to invest in non-marketable medium term U.S. securities. There is already authority to invest in marketable U.S. securities. I am not sure that I understood the hon. member's question in the context of this item.

Mr. Herridge: I should like to ask the minister one question. Can he assure the

committee that the $275,149,500 mentioned here will complete the treaty projects as required, and that the treaty projects will be built and completed according to the terms of the agreement with the government of British Columbia?

Mr. Gordon: Mr. Chairman, I have not been dealing with this matter of the treaty. I am here as Minister of Finance seeking authority to invest this money in medium term non-marketable United States securities. I am not in a position to answer other questions in connection with the treaty itself or the obligations of the British Columbia government, which matters have been dealt with by my colleague the Secretary of State for External Affairs.

Clause agreed to.

Clauses 2 to 5 inclusive agreed to.

Schedule agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read a third time?

Some hon. Members: Now.

Mr. Peters: Next sitting of the house.

Mr. Deputy Speaker: Next sitting of the house.

Mr. Byrne: Mr. Speaker, on a question of privilege, I should like to draw to the attention of the hon. member for Kootenay West the fact that the member for Kootenay East is here to vote on this matter.

Mr. Knowles: He is here when there is no vote.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF AGRICULTURE

Production and marketing—

15. Administration, operation and maintenance including the administration of the Agricultural Stabilization Act, and contributions to agricultural organizations to assist in the marketing of agricultural products subject to the approval of treasury board, $2,190,400.

Mr. Hamilton: Mr. Chairman, when item I was passed I asked whether the Minister of Agriculture would let us discuss the subject of crop insurance under this heading, owing to the fact that there is no item in the main estimates specifically relating to crop insurance. One of the members who wanted to speak on this matter is not present today so I am going to make a few remarks on that subject. My remarks will be brief and, I think, not controversial.

In 1959 we passed the crop insurance legislation to enable provinces to pass enabling legislation to set up crop insurance programs suitable to their conditions. As I understand it, there are at the present time four provinces with agreements on crop insurance, but others are interested.

Mr. McIlraith: Mr. Chairman, might I raise a point here. I understand, the problem of the hon. member for Qu'Appelle is that the subject matter he wishes to discuss does not relate to one of the items in the main estimates. If I am correct in that, would it not be more appropriate to discuss the matter on item 1a of the supplementary estimates, which deals with departmental administration?

Mr. Hamilton: It would be satisfactory, I think, except that we are trying to get item 1 through the house. This is one of the matters which would have held us up for a considerable time but the minister agreed to let me discuss this on item 15. Unless this is another change of government policy I would just as soon discuss it now.

Mr. Hays: We have no objection.

Mr. Hamilton: This will only take a few minutes. Some of the provinces have taken advantage of this legislation, but it was apparent within a year or so after the legislation was passed that in those provinces where there is a one crop economy, such as the wheat growing areas, the governments of Manitoba and Saskatchewan were a little unhappy about putting in crop insurance to cover the whole province. The reason for this is clear. If the whole province were covered, in case of a major crop disaster the credit of the province would be extended under the conditions of the original act if the amount of money required to pay losses during any particular year exceeded the amount in the reserve fund of the crop insurance plan, then the province could come to the federal government and borrow the amount necessary to meet the shortages. The provinces felt that the requirements of borrowing from the federal government would reduce their power of borrowing, so felt reluctant to put the scheme in for the whole of the province.

Toward the end of the term of the last administration, this matter was before the

government. The proposal was that the provinces would reinsure for this amount with the federal government. The provinces would pay the federal government an amount of money on an actuarial basis as a premium to cover the costs of the reinsurance. This principle was under discussion and consideration at the time the government changed. I understand the minister intends to introduce a crop reinsurance bill. Without revealing any of the details of this legislation which may be intended to carry out this reinsurance on an actuarial basis, I wonder if he could confirm that this is the intention? If so, we on this side of the house will be satisfied, and I will say nothing more about crop insurances.

Mr. Hays: Yes, on June 8 we put this on the order paper, and I think it is very well covered in the suggestions made by the hon. member for Qu'Appelle.

Mr. Hamilton: I should like now to go on to another subject, and on this too I shall be fairly brief. Vote 15 relates to the administrative costs of the agricultural stabilization board. I may have to come back to some individual questions, but I want to raise one major point in a general way in the hope the minister will give us some sort of lead on his thinking in this regard.

I am referring to the fact that in Canada today, generally speaking, agriculture is doing fairly well. The large area of weakness in the agriculture economy is concentrated in the low income areas. This is a major problem that will require the efforts of many people for many years to come. This is one problem. The other problem that is more immediate and has been here for the last eight or nine years is the difficulty of the dairy industry. The situation in the dairy industry cannot be described quickly, but suffice it to say that in the main we have an industry across Canada that is not in a serious situation, if you look at the over-all statistics. The surplus production from the industry is roughly 6 per cent to 7 per cent. However as a result of the fact that this surplus bears on those members of the dairy industry who have not got a fluid milk contract, the situation is desperate for them.

The previous government tried to cope with this situation by taking action under the Agricultural Stabilization Act. However we recognized as we were coping with that situation that adjustments would have to come as experience dictated. Without going into all the ramifications of the support price policy of the agricultural prices board in connection with the dairy industry, I should like to focus my remarks on the pressure points of butter. It is recognized I think that the problem of the purely butter producer is almost hopeless. The consumer will not pay the price based on the 64 cents support price, therefore the consumption of creamery butter has fallen off. It was obvious that the price to the consumer had to be brought down to get him back into the habit of buying butter. This we did by a policy of keeping the support price to the farmer at 64 cents a pound and by letting the consumer have butter at the wholesale level of 52 cents a pound. This was, in effect, a consumer subsidy of 12 cents a pound to encourage the consumer to buy more butter.

The figures we have indicate that this policy was a success. I should like to make two points clear. First of all, a person who is in the business of producing butter, by itself, cannot make money at 64 cents a pound. Since the consumer who buys the product will not pay that price this means that we are up against what seems to be an insoluble problem. In the days when I was minister the department looked at many solutions to this problem and selected two or three that seemed promising. Every one of those solutions that seemed promising seemed to me to be based on the premise that there had to be something done by the farmers themselves to make the work of the senior governments effective.

In the case of milk, the provincial governments, under a provincial statute, guarantee a fair price to the producer of milk who is putting his milk into the fluid milk market. Using very round figures, the price for milk in this market is from $5 to $5.50 per 100. The price goes higher in some cases and a little lower in others. This I think the farmers would agree is essentially a fair price. However the farmer who is not lucky enough to have a milk contract receives an average price that fluctuates between $2.50 per 100 and $3 per 100 if he is in the business of shipping manufactured milk such as to a cheese factory. I am not attempting to be precise when I use these figures; it is just to give you the picture.

We know from the most casual observation that no matter how efficient a farmer is, even if he had 25 good cows and was running a very efficient establishment, at a price of $3 per 100 pounds, or less a farmer cannot make a living. This is an essential economic fact he faces. In order to try to bring about an adjustment we have used the Agricultural

Stabilization Act and tried to direct production into those forms for which there is a better market and which would give higher returns to the producer. I think, in all fairness, the Agricultural Stabilization Act has achieved a great deal. It has pioneered a whole series of new agricultural techniques to try to raise the income of farmers without costing the treasury an inordinate sum of money.

This does not mean that we have to say that the agricultural stabilization board has finished experimenting. I would suggest in this connection, that is in connection with the dairy industry, that the stabilization act could be used even better. We inaugurated a program of paying consumer subsidies on butter, for example. At that time I made it very clear to the provincial governments and to the dairy producers that this effort by the federal treasury to help sell more butter at great cost would be done as long as the farmers were making efforts themselves to get together and form some sort of national organization to help themselves. Now, for obvious reasons, this program of farmers to help themselves was centred in the provinces of Quebec and Ontario where the dairy problem is one of the prime interests of the people in the agriculture industry. The province of Quebec undertook to introduce legislation to enable the farmers to form a single organization in that province. The province of Ontario, through its minister of agriculture, organized a series of meetings with the four main dairy organizations in that province in an effort to try to bring about a single dairy organization that could co-operate with the Quebec organization and bring about relative harmony in marketing so far as the two adjoining provinces are concerned.

The next step was that the Canadian Federation of Agriculture called a dairy conference under the chairmanship of the late Dr. Hannam which was held in the city of Ottawa in the spring of 1963. This conference decided to move toward a national dairy policy. It was recommended that a committee of 16 be set up to help to draft a national dairy policy, with five members of the committee from the national dairy council, five representing the dairy producers, five representing the provincial governments—they having divided the country into areas—and one representing the federal government. To my knowledge that committee has either never met or certainly has made no progress report to the public.

In this period of adjustment we are trying to help the dairy farmers by subsidizing the price of butter to the extent of over $40 million a year. This subsidy was given with the idea that at the provincial level and the farm level there would be a continuing effort to try to solve the problem by establishing a national dairy policy, which could take several forms.

I have almost completed my remarks, Mr. Chairman, but when we are discussing the administration of the stabilization board I believe we should hear what the policy of the government is in relation to the over-all dairy situation. We want to know if there is any activity at the provincial and farm levels to meet conditions that were well understood when we advanced the heavy subsidy on butter. I am not making these remarks for the purpose of causing any trouble between the provinces and the farm organizations. I make them because I know that unless we do have some rational dairy policy in Canada the great majority of the farmers in the dairy business, the 55 per cent in Ontario for instance with less than 13 cows, and the even greater percentage in Quebec with less than 13 cows, cannot be asked to continue indefinitely waiting for some action.

It is true that the difficulties are great. It is true that the heaviest responsibility falls on the provincial ministers to give leadership in their provinces in creating single dairy organizations in each province, so that a national organization can be formed with some opportunity to work out policies that will provide some control over the production and marketing of the products of the dairy farms. I suggest that the problems of low income farmers, mostly in eastern Canada, and the problems of the dairy industry are very closely related and that the test of any minister of agriculture of Canada will be how well he provides leadership in getting the provinces to continue their movement toward a single dairy organization within each province, which organizations can then sit down together and see if they cannot work out a national dairy policy within the next two or three years. I should like to know what the minister's thoughts are with regard to a national dairy policy and how he intends to use the agricultural prices stabilization board as part of the machinery to help to solve this problem.

Mr. Hays: Mr. Chairman, I assure the hon. member that we do recognize the problems he has mentioned. This committee has met four times, the last time in June, and the

next meeting will be in seven or eight weeks time. Its members are actively engaged in trying to formulate some policy that will protect producers in so far as prices are concerned. As the hon. member recognizes, the big problem of course is price, and there has been some improvement in this field. But I should like to assure the hon. member that the committee which represents all levels, the producers, the provinces, farm groups and the federal government, which has a representative, has met four times since the 1963 meeting. Its last meeting was in June and it will be meeting again at the end of September or the beginning of October.

Mr. Hamilton: I have one or two more precise questions. Has the federal government put forward any inducements to encourage the members of the committee to move faster in working out a national dairy policy? In referring to inducements I am not overlooking the fact that we put forward a $40 million inducement for them to get together, but I think they should be reminded that this inducement is conditional upon their moving forward. I should like to know from the minister what policy he has that will make the farmers of Ontario, with four separate organizations, want to get together to form a single organization and work in co-operation with the province of Quebec.

Mr. Hays: I can assure the hon. member that we do have this in mind and that we are moving forward in this direction. There are many problems. There are many people who, from a regional point of view, do not agree with what might be a good over-all policy. These are big problems, as the hon. member knows, but we are working toward what we think will be a much happier position in so far as the dairy farmers are concerned.

[*Translation*]

Mr. Lessard (Lake St. John): Mr. Chairman, I should like to take advantage of the fact that we are now considering item 15A to discuss briefly a particular point which, in my opinion, affects the agricultural economy in the Saguenay district. Naturally, like many other areas, that area is faced with marketing problems.

In that district, most farmers are engaged in dairying and their products obviously include butter, cheese and a very small quantity of powdered milk.

Farmers have never been quite able to understand the government's attitude concerning the marketing of such products. In fact, if there is a surplus of butter, one year, in Canada, the year after we are faced with an overproduction of cheese. As a result, the government pays subsidies on butter one year and on cheese the following year, so that our farmers can never know from year to year which of the two products they manufacture will be subsidized. Because of those surpluses, either of butter or of cheese, our farmers are confused, unable to decide whether they should produce butter or cheese or whether they should give up dairying altogether.

Mr. Chairman, item 15 reads as follows:

Marketing of farm products.

I also note that an amount of $35,000 was appropriated for this item last year and it seems that this year, no need was felt to resort to marketing—

[*Text*]

Mr. Hays: On a point of order, Mr. Chairman, are we dealing now with vote 15?

The Chairman: Yes.

Mr. Hays: We have finished all the other votes up to that point?

[*Translation*]

The Chairman: Order. I wish to draw the attention of the hon. members to the fact that the house is now considering vote No. 15 —production and marketing administration.

Mr. Lessard (Lake St. John): Mr. Chairman, that is precisely the subject matter with which I would like to deal. I see that, last year, an amount of $35,000 had been allocated under that item—marketing—while this year the amount allocated is only $20,000.

I am particularly interested in this matter, because, after all, the main problem facing our farmers today is precisely the problem of getting a stabilized market, a steady market for their produce.

Mr. Chairman, I think the Department of Agriculture should consider as most important the matter of finding markets for farm produce.

At the present time, the farming industry in the Saguenay area includes dairy farming and potato growing; and very soon now, the farmers of that area will be able to put on the market their production of blueberries.

I was reading recently a report published by Hon. Mr. Courcy, the Quebec minister of agriculture, to the effect that he would have to postpone his project to establish blueberry patches in the Saguenay peninsula, under ARDA, because of the uncertainty of

markets. Now, I am wondering to what extent this federal government is interested in this problem which the Quebec farmer has to face, and more particularly, the farmer in the Saguenay area, who is asking himself if he should give up dairy farming. When there are surpluses of milk, cheese and butter, the farmers are told: You should take up some other type of farming, you should produce something else, you should diversify your production.

Mr. Chairman, the farmer is quite prepared to diversify his production, to do something else, but he should, at least, be given the assurance that he will be able to sell on Canadian or foreign markets what he is requested to produce, and sell it at a reasonable price which will make it possible for him to live a decent life.

In my opinion, by having such a small amount earmarked for marketing research, the Department of Agriculture is simply missing an opportunity to use one of the means at its disposal to assist eastern agriculture, that of Ontario, Quebec and the maritimes. This question of markets is closely related to the present problem.

I was listening a while ago to the hon. member for Qu'Appelle (Mr. Hamilton), the former minister of agriculture. Indeed, I always enjoy listening to him, because he speaks like a level-headed person and seems to be especially aware of farm problems. I like the suggestions he makes and when, a while ago, he said we should endeavour to unify our farm organizations in Quebec as they did in Ontario, in order to succeed in establishing a stable farm policy, I found myself in complete agreement with him on that point. I believe this is the way to a rational policy which would be acceptable to all the people concerned. However, until that feat is accomplished—because it will certainly be one to achieve that unification—we cannot let things deteriorate further.

The Department of Agriculture certainly has, on the federal level, a great responsibility, as stated so well this morning by the Minister of Forestry (Mr. Sauvé), who is responsible for rural development. On the other hand, that responsibility is shared by the federal government and the provincial authorities, but they will reach those solutions only through co-operation.

I wonder if, at the present time, there are meetings between the federal Department of Agriculture and the provincial government of Quebec or Ontario about that particular problem of marketing and market research.

What is the federal government exactly doing today to ensure that our dairy producers our cheese producers in Quebec and in the province of Ontario obtain the necessary outlets for their products? Does the federal government try as hard today to secure a stable market for our Canadian cheese producer as they did for the wheat producers? I have nothing against the latter, and I am perfectly happy and in agreement with everything which is done to help them, but I would like to see the federal government jointly with the province of Quebec and the other provinces do the same for those other people.

I sometimes wonder whether it would not be opportune to set up a dairy board, similar to the wheat board, for instance, which would ensure that our dairy products meet national quality standards that are also acceptable internationally. Indeed this board might take joint action with the provinces and the dairy organizations with a view to securing a market for them, like the wheat board is doing at present by approaching every market in the world in its search for outlets.

We should have a similar organization which might dispose of our dairy farm products on every market in the world. I do not believe that this would be a prejudicial centralizing policy—far from it, as everything would be done in co-operation with the provincial governments, and more particularly with all organizations concerned. If this body were only like the wheat board which, to all ends and purposes, seems to be independent from the government as such. As this organization, as I say, was set up by the central government in agreement with the producers and wheat producing organizations, I believe that the same thing or something similar, might be repeated for the dairy farmers, which would provide them with the markets for which there is a great need.

They are now told: You are producing too much milk, you will have to do something else.

But has the assurance been previously given that another market could be found for the foodstuffs which they are asked to produce? Would it not be better, since a market must now be found for this new production, if the government itself, through some organization, found markets for the products for which they are equipped such as butter and cheese. I think that it is a serious problem.

The government would like them to give up part of their dairy production to produce something else. But was it anticipated that a market would nevertheless have to be found for that production? Besides, this transfer from one market or production to another is a burden for them, since they must now quit a production they developed at a loss, in order to reorganize in another line of production which in most cases requires a rather large investment for farmers who have been leading a precarious life for several years in a rather rough climate.

Relatively large funds have been placed at their disposal; but is it intended to get them into debt by urging them to turn to another type of production which, five years from now, will also be faced with a deteriorated market? And perhaps they will be asked then to change once more their line of production.

I think the thing should be thought out before urging our dairy farmers to diversify their production.

Indeed, allowance should be made for the fact that the population of Canada will not remain static, but will increase. And this dairy production, which may now have a temporary surplus, will not have a surplus forever.

Today, we say to dairy farmers: Reduce your production. Tomorrow or perhaps the day after tomorrow, we will have to beg them to increase their dairy production, in order to face the increased consumption due to the greater number of Canadian consumers.

Mr. Chairman, I conclude my remarks because I think that many other members want to speak on that subject. In my opinion, the federal government should now make it a point to co-operate with the provincial governments—and here I mean Quebec in particular—to secure markets for our present agricultural production before asking the farmers to engage in another kind of production for which we are not sure they will find markets or for which we are not ready to guarantee them markets.

That being said, Mr. Chairman, I resume my seat.

Mr. Vincent: Mr. Chairman, I should like to take the next few minutes to support the views expressed by the hon. member for Qu'Appelle (Mr. Hamilton) who, a few minutes ago, made suggestions to the present government concerning the dairy industry.

I do not wish, today, to criticize the policy of the government but rather make a few recommendations to the Minister of Agriculture and to the agricultural stabilization board to help them find a way to assist the eastern farmers.

Mr. Chairman, it is well known that the dairy industry is the cornerstone of agriculture in eastern Canada, and in Quebec especially.

We know the dairy industry is the farmer's major source of income. A while ago, I was looking at the survey report tabled today by the Minister of Agriculture. That survey covered ten regions in the province of Quebec. In each, the dairy industry is at the top, providing farmers with the larger share of their income. Thus, 48 per cent of the income of farmers in those ten regions comes directly from the dairy industry and 16 per cent from the sales of cattle, which, in a way, is also part of the dairy industry.

If we are seeking ways to come to the assistance of eastern farmers, I think we have to know what will provide the farmer with the largest income, and that is the dairy industry.

In my opinion, the minister should pay a very special attention to this matter.

If the price of milk were to rise a little, the income of the farmers in the province of Quebec and eastern Canada would increase that much.

Some time ago a group of farmers marched on the provincial parliament. On that occasion, the minister of agriculture for the province of Quebec announced an increase of 20 cents per 100 pounds of milk. Farmers were immediately satisfied because they believed that this increase would apply to milk delivered to processing plants as well as to fluid milk. But they learned to their surprise that the increase was applicable only to fluid milk.

At the present time, Quebec farmers want to ask the federal government for an increase in order to raise their incomes. It is not only a certain group of farmers, but 71,000 dairy producers of that province.

Recently, I had a survey made in certain areas of the province of Quebec in order to ascertain the total number of pounds of milk sold by milk producers to their co-operatives. I should like to put on record the figures obtained in one area of the north shore, La Pérade: 1,270 milk producers shipped an average of 49,307 pounds of milk in 1961; in 1962, 1,235 milk producers shipped an average of 55,390 pounds of milk; in 1963, 1,222 milk producers shipped an average of 59,845 pounds of milk, still a slight increase. In such an area, milk is worth approximately

$3 per cwt.; this is not a very high income for those farmers who only rely on the dairy industry to support their family.

I now wish to quote the figures of the survey for 1963 only: 46 per cent of these 1,222 farmers shipped less than 50,000 pounds of milk, 22 per cent shipped between 50,000 and 75,000 pounds, 6 per cent shipped between 75,000 and 100,000 pounds and 13 per cent shipped between 100,000 and 150,000 pounds; finally, 3 per cent only shipped between 150,000 and 250,000 pounds. Consequently, if the federal government really desires to help farmers in eastern Canada it must take the necessary means to increase their income.

Last year, with its new dairy policy, the federal government saved the treasury about $11 million; this year, it will save the treasury between $4 and $5 million. Of course, the price paid to the producer for milk is somewhat the same as last year. In some places, this price is about 5 cents higher per cwt., in some other places, about 10 cents, but elsewhere it is 5 cents lower.

If the federal government saved the treasury $11 million last year and between $4 and $5 million this year, when the farmer receives about the same price, it is due to the fact that cheese is from 2 cents to 3 cents higher per pound, powdered milk is about 5 cents higher and finally, the demand for our dairy products is greater.

The suggestion I am making to the federal government is that this fall a special subsidy of 25 or 35 cents per cwt. of milk should be granted to eastern farmers up to a maximum of 100,000 pounds of milk. Such legislation would cost the federal government some $13 million, that is more or less the amount saved with the new farm policy passed last year and even then there would still be a few cents left over to give assistance in other fields.

If we figure that, in 1962, the subsidy of 25 cents per cwt. of milk paid to all eligible producers cost some $13 million and if, this coming fall, the government paid out to those eastern farmers a subsidy of about 35 cents per cwt. of milk for the first 100,000 pounds in order to increase their income, we would be, by the same token, giving assistance to most of the eastern farmers, because their average production is about 65,000 to 70,000 pounds shipped to processing plants.

If, in the province of Ontario, as was said by the hon. member for Qu'Appelle (Mr. Hamilton)—I was going to call him the minister of agriculture, because I anticipate that in a few months, he will be back at the head of the Department of Agriculture—55.5 per cent of dairy producers have only 13 dairy cows, and 38.5 per cent have between 13 and 32, then I think that the situation is a little more serious in the province of Quebec. I am making this suggestion to the government in order that it may increase the income of those producers. And we can give good reasons to encourage the government to incur this $12 or $13 million expenditure early this fall. The *Farmers' Advocate*, in its June 1964 issue, quotes figures showing that in order to have an income of $3,000 per annum, a dairy producer should have 54 milch cows, with an average yield of 7,000 pounds of milk, the total of which amounts to 378,000 pounds of milk per annum, selling at $3.50 per cwt. or else 31 milch cows with an average production of 9,000 pounds, the total of which would represent 279,000 pounds selling at $3.50, or again, 22 milch cows, producing yearly an average of 11,000 pounds of milk for a total of 242,000 pounds of milk, which would earn $3,000 per annum, or still, 18 milch cows with an average yield of 13,000 pounds of milk, or a total of 234,000 pounds of milk which would bring in $3,000 per annum.

If we consider there are 55 per cent of the dairy producers in Ontario who keep less than 13 milch cows, and if we consider that in the province of Quebec, according to the data I have here, 7,484 dairy producers have obtained an average of 70,132 pounds of milk, evidently, their income is insufficient to allow them to meet their commitments. Now, if, in the province of Quebec for 70,000 producers the chief source of revenue is derived from the dairy industry, in my opinion, the government should focus its efforts on increasing income.

As a dairy farmer, I would say that the first 100,000 pounds of milk are necessarily the most expensive to produce and, as a matter of fact, they cost almost $3.50 per cwt. Keeping in mind that for each thousand dollars invested in dairy production it costs about $20 per milch cow, so that when the number is around 13, the income for the first 100,000 pounds of milk, the most expensive to produce, must be around $3.50 per cwt.

I remember that, in 1957-58, when I had the opportunity to visit the various areas of the province of Quebec and meet farmers, when the milk was worth about $2.50, $2.60 per cwt., I used to tell them: Milk ought to pay farmers an average price of $3 per cwt. We have now reached this average price of $3. At this time, it is not enough, we must go farther. In my opinion, we must not en-

courage just the big producers, the large organizations, so that they can keep on growing. We must help those who produce less than 100,000 pounds of milk.

I shall give an example. In the Granby area, in 1963, out of 1343 dairy farmers 68 per cent produced less than 100,000 pounds of milk per year, the average being 50,599 pounds.

In the Joliette area, in 1963, out of 736 producers, 79 per cent produced less than 100 pounds of milk a year, that is an average of 50,611 pounds a year. In the Bon-Conseil area, my own area, in 1963, 57 per cent of the dairy farmers produced less than 100,000 pounds of milk, that is an average of 55,175 pounds of milk a year. In the La Pérade area, on the north shore, in 1963, 84 per cent of the dairy farmers produced less than 100,000 pounds of milk, that is an average of 45,350 pounds a year. In the eastern townships, out of 400 producers, 57 per cent produced less than 100,000 pounds of milk, that is an average of 56,732 pounds a year.

In the area around Quebec city, including Mégantic and Plessisville, out of 1,419 milk producers, 82 per cent produce less than 100,000 pounds of milk a year, or an average of 41,809 pounds. That is the situation in which our milk producers now find themselves.

We have small farms. Farmers have herds which are not too large, and mechanization is quite expensive. If the government really wants to help most farmers, it will have to implement this coming fall, or even sooner, the suggestion I put forth. And I am seriously warning the Minister of Agriculture, the Minister of Forestry (Mr. Sauvé), in short, the government, that Quebec farmers are getting ready to submit a request to the federal government and, if need be, to march on Ottawa. They have a right to do that.

If I were sitting on the other side of the house, I would advise government members to rouse public opinion throughout Canada, and more particularly in the cities. Our city dwellers should not think that farmers will always be the poor cousins in the Canadian economy. We should not forget that Ontario numbers about 70,000 or 72,000 producers, and the province of Quebec has about the same number. Those are people, families, human beings.

When did the government mind spending millions to help the miners? By following my suggestion, the government would spend a few million dollars to help thousands of people with inadequate income.

I make this suggestion, not because I want to criticize the policy the government enacted last year and which had its points. But I objected, though this policy had some good points, to the attempt which was made to save the federal treasury some money by every possible means, so as to be able to tell the city dwellers: We gave less to the farmers. That is not as it should be. Our fellow citizens who live in cities or towns should be made to understand that the farmer has a part to play, and that he should receive his rightful share of the national income. Indeed, if the farmer does not get an adequate income, he will move to the city and join the unemployed, or take the job of a person who is working and who would then become jobless in his turn.

Moreover, in some areas, families would have to receive social security allowances. I should prefer the government to spend $12 or $15 million more in order to help directly the dairy farmers.

If the minister agrees to pay this additional grant next fall to farmers in Quebec, Ontario and the maritime provinces, up to 100,000 pounds of milk, I suggest that he should give this money directly to the farmers in two or three instalments. This would help increase the farmer's income. This will only be a temporary measure, since the appropriate long term measure is the one suggested earlier by the hon. member for Qu'Appelle (Mr. Hamilton), that is, form a national dairy council which, I am sure, can do much for the dairy industry in Canada.

Just like the economists, we say there is at present a butter surplus. In fact, there are some 100 million pounds of butter in storage. Last year Canada produced 350 million pounds of butter, and approximately the same quantity was consumed. But if, in the course of one year, some drought prevailed, or if, at the end of said year, production decreased by 50 or 60 million pounds and consumption increased by 30 or 40 million pounds, there would be a shortage of about 100 million pounds of butter, and we would just about empty our warehouses.

During the 1967 world fair, if Canada receives 30 or 35 million visitors, we shall need more agricultural products, more butter, more cheese and it would be disastrous for the Canadian economy if we had to import agricultural goods which Canadian farmers can produce here. Moreover, when Canadian farmers produce, they have work, and it is a lot better for governments, federal as well as provincial, to help people

by keeping them at work instead of giving assistance when they have absolutely nothing to do.

Mr. Chairman, I shall close my remarks by asking once more the Minister of Agriculture to consider seriously the suggestion of the hon. member for Qu'Appelle. It is imperative that meetings be called as soon as possible between federal and provincial authorities as well as producers, in order to set up this national dairy council which afterwards might even be responsible for finding markets in foreign countries. Moreover, once this national dairy council is set up, we will really have a long term dairy policy.

But in the meantime, it is imperative to help dairy farmers, and that is why I suggested a short term policy under which the federal government would pay directly to dairy farmers in eastern Canada, starting next fall, a subsidy of between 25 and 35 cents per hundred pounds of milk, up to 100,000 pounds.

Mr. Rondeau: Mr. Chairman, the house is now considering the estimates of the Department of Agriculture, especially item 15.

It seems that the total budget of the department for 1964-65 is $140,124,800, while the expenditures under item No. 15 amount to $2,190,400.

What strikes me more than anything else in all those expenditures with respect to agriculture is that in the total budget as well as in the various items, as for instance votes Nos. 5, 10 or 15, millions of dollars are earmarked for agriculture, but farmers never see the colour of that money.

And to illustrate my assertion, if one considers the details of vote No. 15, one realizes that subsidies to agriculture represent only a small fraction of this whole vote of $2,190,400.

On the other hand, if one considers the whole budget, which amounts to $140 million, one can see that about 20 per cent of that amount is for farmers, the balance going to travelling costs, expenses and salaries.

In vote No. 15, for instance, out of $2,190,000, there is an amount of $2,170,000 in salaries and travelling expenses while $20,000 are made available for the marketing of our farm products; $20,000 to make our farm products better known and to improve processing methods; $20,000 out of $2 million.

Now, the total estimates provided for agriculture amount to $140 million. The same thing applies to all other expenditures.

According to vote No. 15, there are 418 employees working for the Department of Agriculture. To do what? To hand out subsidies. And how much? To hand out $20,000 in subsidies. Those 418 employees receive $2,170,000 to hand out $2,190,000. To whom? To the farmers? No, the farmers only get $20,000. That is the stupidity of our present system, Mr. Chairman. Then, people are amazed to see the farmers, especially those in the province of Quebec, march on parliament to demand their rights. And they are accused of being cry-babies and critics. I hope the farmers of the province of Quebec will organize, travelling by bus or in convoys, if necessary, to march on the Ottawa parliament because the Minister of Agriculture (Mr. Hays) who is here, does nothing to change that situation.

He said that he wants to help the farmers. Help them, yes, but out of $2 million he gives them $20,000 to market their farm products and no one even knows how those $20,000 were spent. We do not know whether farmers even saw the colour of that money.

Mr. Chairman, we no longer have to put on white gloves to talk to the Minister of Agriculture. He was elected and came to Ottawa a year ago and what did we get in the field of agriculture in the province of Quebec? Nothing.

[*Text*]

Mr. Hays: Mr. Chairman, I rise on a point of order. I think I should mention that when we come to vote 25, the hon. member will see that there is $10 million there. When we come to vote No. 35, he will see that there is another $20 million. If he will recall, when we were discussing the supplementary estimates there was $122 million under the stabilization scheme. I feel that the hon. member should just keep these amounts in mind and not neglect to mention them.

[*Translation*]

Mr. Rondeau: Mr. Chairman, the Minister of Agriculture said that $5 million are provided under item 30. According to him, $1 million in subsidies appear under item 45, with regard to health of animals. In addition, I must point out to him that an amount of $10 million appears under the item concerning animals and animal products.

However, of the $140 million, I note three items: $20,000 for production and marketing; $1,465,000 for health of animals and a further $10 million for animals and animal products.

Out of the amount of $140 million, only $20 million, that is, approximately 20 per cent, are actually intended for farmers.

As far as vote No. 15 is concerned, the Minister of Agriculture can look up the estimates;

he knows as well as I do that out of $2,190,000 allocated to agriculture, only $20,000 is earmarked for the marketing of products.

And some people say that eastern farmers are cry-babies.

I have more figures here showing that between 1936 and 1964, $2,500,000,000 have been granted, by way of various subsidies, to the farmers of western Canada. I am glad that the farmers of western Canada received $2,500 million since 1936, which is about $10,000 per farmer or $400 per year for each farmer in western Canada.

I will come back to the other items in a few minutes. Now, all the money provided under vote No. 55 for land rehabilitation, irrigation and water storage projects is spent in western Canada; no provision is made for the province of Quebec.

I hope the new minister who is called the minister of agriculture for eastern Canada but who is actually much more a minister of rural development will learn his role—

Mr. Sauvé: I would ask the hon. member to kindly limit his remarks to the item under consideration and I should like to point out to him that, for the time being, I am just simply the Minister of Forestry. It is only when the house has passed the bill which was announced in that connection that I will become the minister of forestry and rural development.

Mr. Rondeau: Mr. Chairman, I hope that the government will undertake as soon as possible to carry out the projects set forth in the speech from the throne, for at the pace things are going as far as agriculture is concerned, the minister will still not be appointed when farmers will begin to leave eastern Canada, because nothing is done in the province of Quebec or in eastern Canada.

Mr. Chairman, yesterday I asked the Minister of Agriculture what he intended to do about frost in the province of Quebec where crops were destroyed. There is nothing in those items providing for the official establishment of a permanent committee or board in order to settle the problems of the province of Quebec.

Farmers are entirely dependant upon weather conditions and the government does not do anything to help them.

One can see here that boards have been established to deal with crops in western Canada.

What do you see in item No. 5 to meet the farm problems of eastern Canada? Absolutely nothing.

I should ask the Minister of Agriculture—

[*Text*]

Mr. Hays: I rise on a point of order, Mr. Chairman. I believe we should have a ruling that the hon. member is straying away from the subject matter of vote 15.

[*Translation*]

The Chairman: I am sure that the hon. member for Shefford (Mr. Rondeau) wishes to confine his remarks to item 15.

Mr. Rondeau: Mr. Chairman, I shall be pleased to confine my remarks to item 15, but I should like to talk about grants and I do not see any. There are none. I am obliged to speak about government administration and expenses.

The Chairman: Order.

Mr. Rondeau: I do not see anything here that would be profitable to agriculture; everything is being absorbed by salaries.

The Chairman: I am sure that the hon. member for Shefford wishes to confine his remarks to vote No. 15, as he should under standing order 59.

Mr. Rondeau: Mr. Chairman, I shall be pleased to confine my remarks to vote No. 15, but I do not see anything there for the farmers; all we can see is:

Salaries and wages	$800,000
Overtime	1,700

—they work hard, those people, to give nothing to the farmers—

Various winter allowances	$ 4,600
Travelling and removal expenses	63,000
Freight, express and cartage	1,500
Postage	800
Telephones and telegrams	9,700
Publication of reports and other material	2,000
Office stationery, supplies and equipment	16,500
Materials and supplies	4,500
Acquisition of equipment	10,500
Repairs and upkeep of equipment	1,800
Marketing of agricultural products	20,000

—there we have no details about what was given to the farmers—

Sundries	$3,000
—which amounts to	$953,800

for one portion of vote No. 15.

So, Mr. Chairman, as you can see, in item No. 15 as in the whole budget for the Department of Agriculture, which amounts to $140 million, only 20 per cent goes to farmers, the rest going to civil servants. But what is the function of those people? They are employed to settle nothing, for nothing has been done for Canadian agriculture since the Liberal party took office.

Mr. Pigeon: Mr. Chairman, I want to sound the clarion call on behalf of the 14,000 cigar tobacco growers in the province of Quebec who are now facing serious difficulties, especially during the past year and a half. The "Coopérative des tabacs de Saint-Jacques" has one million pounds of unsold cigar tobacco in its storage plants.

I can assure you that cigar tobacco growers are increasingly concerned about the future.

That is why, Mr. Chairman, in view of the fact that this type of farming is very important to the province of Quebec, and that it yields $7 million in taxes, all by itself, to both the federal and provincial governments, I am wondering if it would not be advisable to put this type of farming under the Agricultural Stabilization Act, in order to provide cigar tobacco growers with a stable income.

This is the only remark I want to make, in the hope that the minister will give me an immediate answer on this subject.

[*Text*]

Mr. Hays: Mr. Chairman, we would be very pleased to take this under consideration and I will see to it that the stabilization board looks into the matter.

Mr. Jorgenson: Mr. Chairman, I do not intend to delay the passing of this item unduly but I should like to make a few remarks concerning crop insurance, since the minister was so kind as to allow us the opportunity of speaking on the subject on this item. As the years have progressed since the crop insurance bill was passed in 1959 I find that there is increasing interest in the subject across Canada. My own province of Manitoba in particular has pioneered the development of provincial crop insurance programs. Today a total of 6,170 farmers are covered in the six test areas that have been developed within the province, involving a total liability of over $14 million compared with just 2,500 farmers and a total liability of $4 million during the first year of operation, 1960-61.

I think this is a fairly clear indication that crop insurance in the province of Manitoba is receiving growing acceptance as a means of stabilizing farm yields. This is one point on which there seems to be confusion in the minds of a good many members whom I have heard discussing the subject in the house. First of all, I think it should be clearly understood that the crop insurance legislation introduced by the previous government in 1959 and passed by parliament was in effect enabling legislation which permitted provinces to set up their own crop insurance programs. It was one of those things mentioned by the Leader of the Opposition yesterday in speaking of provincial-federal cost sharing programs. Under this particular program the federal government does assume some responsibility, and some of the cost as far as administration and part of the premiums are concerned.

I think crop insurance should be designed to treat individual operators with similar risks in a similar fashion without unduly penalizing efficiency or subsidizing inefficiency. In other words, a crop insurance program to be effective must be actuarially sound, and it is on this basis that the Manitoba crop insurance corporation is proceeding and developing their program with some considerable success.

The matter raised by the hon. member for Qu'Appelle dealing with reinsurance is one that is of great importance to the province of Manitoba because they are very anxious to extend the provision of crop insurance across the entire province. But a year like 1961 and, again, a year like 1964 have caused them to proceed with a considerable amount of caution because of the risk that is involved and the necessity of having some form of reinsurance to fall back on, in the event of a disaster such as we are experiencing in parts of the west this year.

I am afraid there has been a tendency in some instances to emphasize crop insurance as a cure-all for all of the difficulties of agriculture. It is nothing of the kind. It is a part of an over-all farm program designed to minimize some of the variations in yield, and at its very best crop insurance can be no more than a device that levels out yields over a period of years. Obviously crop insurance cannot have any impact at all on the variability of income due to price fluctuations and for that reason the previous government when developing their farm program took into consideration the various things that contributed to agricultural instability and attempted to develop a program as national

in scope as possible, while at the same time taking into consideration regional problems that affect certain areas.

It is necessary therefore that the average production on a farm be such that it will provide the farmer with a decent income. Obviously crop insurance in those areas where average farm income over a period of years is so low that it does not provide sufficient income for the farmer is of little or no value to him. For that reason other programs must be developed to assist him. I have in mind particularly the provisions of the ARDA program under which a shift of emphasis in production will perhaps be more beneficial than the type of program we envisage under crop insurance. Paradoxically the areas that need crop insurance most can afford it least, because if it is to be based on the risk factor then of necessity the premiums are too high, and in many cases those areas where crop insurance is not required as much do not take advantage of it because the incidence of crop failure is so low that they do without it.

But in the greater part of Manitoba in particular crop insurance is the type of program that does provide that yield stability which contributes to the general well-being of the agricultural communities. It is not only the farmers of these communities who are affected. We recall that in the 'thirties the loss of income due to crop failures in those areas created a general depression among the business community. Farmers are unable to make purchases of equipment and pay necessary operating expenses if income is not available.

Again in 1961 we had an example of how crop losses due to weather conditions or conditions beyond the farmers' control can seriously affect other segments of the economy as well. For instance, in 1961 Manitoba farmers committed themselves to something like $117 million in cash operating expenses in the hope that the return from their crops would repay their expenses and provide them with a living for that year. Total net income for the year amounted to $64.6 million slightly over half of what it was the year before, and local businessmen as well as the farmers were very seriously affected. I happen to have visited those areas in Manitoba where crop insurance is in effect, and during the summer months it was easy to recognize the farmers who were covered by crop insurance because they were not nearly as worried as those who did not have coverage. On talking to businessmen in the area the same impression was created, that they were optimistic in spite of the serious drought taking place at that time because so many of the farmers were covered by crop insurance.

In order to expand the operations of the Manitoba crop insurance corporation it is going to be necessary for the government to come up with the amending legislation at the earliest possible opportunity. I regret it will be delayed until fall because I know it is necessary in Manitoba to have this amendment to the legislation as quickly as possible, so that the corporation can proceed to accumulate the data and the necessary figures to determine what premiums and indemnities are to be paid in any given area.

The northern areas of Manitoba are suffering from rather severe drought, the central portions of the province are experiencing good crop conditions and the southeastern portion of the province, from which I come, is suffering severe flooding. From this one can see that the causes of crop failures are many and varied. Unfortunately the Prairie Farm Assistance Act, designed to offset the conditions of drought that existed during the thirties, does not adequately cover crop losses in the west today. There are areas where local flooding can create a great deal of difficulty for the farmers and the arrangements under P.F.R.A. could not possibly begin to cover the farmers affected. It is necessary, therefore, for them to seek aid elsewhere and if crop insurance were available all the farmers in the province could take advantage of its provisions and cover themselves adequately.

I recall that during the debate on the introduction of the bill in 1959 the Secretary of State for External Affairs spoke at length on the subject of crop insurance, and criticized the then government because it did not take care of every ill, evil and contingency that could arise in agriculture. I only hope his opinions have been conveyed to the Minister of Agriculture so that he can take them into consideration.

I ask the minister to attempt to bring in this legislation at the earliest possible opportunity and thus facilitate the province of Manitoba and other provinces to proceed with the development of their crop insurance programs that will provide the type of stability farmers require these days when they have such high operating costs, and other costs that must be met from year to year.

Mr. Moore: Mr. Chairman, I would like to refer to stabilization payments as they affect the dairy industry and to mention that it

has now become a billion dollar a year industry. I realize the dairy industry may be concentrated in eastern Canada but it is still of vital importance to most small farmers in the west.

The Minister of Agriculture has stated in the house that milk prices are up all over Canada. In all fairness, I do not think he meant that he had all, or even any of the problems solved, but we could take this to mean that the changes in the dairy support program, that is changes in the last administration's program, have brought about a rise in milk prices. There have been changes but I do not think there was anything new in policy.

There have been two dairy policy announcements since the change of administration and they do not contain many differences. I should like to congratulate my colleague from Nicolet-Yamaska for his well thought out suggestion, but I would like to go even further than he does, to point out that this suggestion could be followed through on a national scale and into every facet of dairy production.

The first item I would like to mention is butter production, and how stabilization affects it. I think my colleague from Assiniboia has covered the matter very well, but I have a point to make in this regard. The eligible producers of milk and cream, whose butterfat is used for the manufacture of butter, are receiving the same price under the new administration for their cream and milk. Eligible producers means milk and cream shippers whose production is used for the manufacture of creamery butter, and who do not supply any milk to the fluid milk market.

Under the Conservative administration the manufacturer was paid 12 cents per pound for all butter manufactured. This was changed in 1963, in the dairy policy announcement of that time, and the manufacturers were then paid 14½ cents per pound for all butterfat from eligible producers used in the manufacture of creamery butter. This year the board's price for butter was raised from 52 cents to 53 cents per pound, and this enabled the figure of 14½ per pound of butterfat to be changed to 13.3 cents per pound.

This change in the method of payment does not constitute a price rise, as more than a pound of butter can be made from a pound of butterfat. The figures show that from 100 pounds of butterfat you can make something like 122 pounds of butter. The change affects only the manufacturer, as the change from 12 cents for a pound of butter to 14½ cents per pound of butterfat cost the manufacturer approximately one quarter cent per pound of butter manufactured. The manufacturer's bookkeeping costs are increased and the producer receives no more for his product.

I should like to read a short excerpt from the *Western Producer* of June 25, 1964:

> The dairy pool reported a 20 per cent decline in returns in the butter department as a result of the change in the federal system of supporting butter prices, and an increase in the producer price of cream. Most butter in the past year went directly to the trade and little was sold to the stabilization board.

What about fluid milk producers? In the first place, the federal Department of Agriculture has little or nothing to say about the price of milk to fluid milk producers. In our province at least, and probably in others, the board of public utilities commissioners sets the price of milk. Usually a rate is granted on petition from either manufacturers or consumers, or both.

This is done to keep pace with the cost of production, the cost of living and so on. Naturally the price has been going up for many years. I myself have been a milk producer for 27 years. When I was going over some old papers this spring I noticed I had a sales slip. I cannot remember the exact date but it was back around 1939 or 1940. This sales slip showed that I was paid 48 cents for 100 pounds of milk. That would be 4.8 cents for a gallon of milk. The paper is somewhat yellowed with age but it is very legible. I will admit there have been some improvements since that time.

Surplus milk which is transferred to butter manufacturers and made into butter qualified for a subsidy under the Conservative administration. Now those producers are classed as non-eligible and do not receive a subsidy. There can be arguments one way or the other as to whether or not they require a subsidy. I could point out that these producers produce their milk at greater expense than other producers; I will admit they are paid more, but their premises, to meet inspections and so on, require a much larger expenditure of capital.

The cost of producing milk is increasing from year to year. The average butterfat content of milk is about 3.5 per cent. I know that this has been increasing, too, over the years, but it is a good figure to use as a standard. The subsidy was 14½ cents. It is now 13.3 cents per pound. I had worked it out on the 14.5 cent level; it works out to about 50¾ cents per hundred pounds of milk, but the fluid milk producer was then being

paid less for his surplus milk when transferred to butterfat. My purpose is not so much to argue about this change as it is to point out it meant a loss of income to the dairy industry, definitely not a gain.

Formerly, and when I say "formerly" I mean back in the time of the former minister, the subsidy per hundred pounds of milk used in the manufacture of skimmed milk powder was 25 cents a hundred. This has been discontinued. To replace it, the stabilization board has stated it will purchase skimmed milk powder by tender at a certain price. Most manufacturers claim that because the board has agreed to purchase the surplus powder at a higher price they cannot pay the producer the additional 25 cents to replace the subsidy which is not now being paid. We also know that channelling milk into skimmed milk powder does not help to cut down butter production because the butterfat still remains and it is made into butter. When the milk is separated to obtain the skimmed milk you get the cream. That increases butter production. However, we seem to be fast reaching the point in this country at which the consumption and the production of butter are better balanced. There has not been a surplus of production in the west for some time. The surplus is all in the east of Canada.

The present support program does not include milk used in evaporated and condensed milk plants. The former subsidy of 25 cents per hundred pounds was removed by the present government. In other words, the dairymen and the evaporated milk industry were singled out, and this is one part of the industry which creates no problems in the form of surpluses. To compete with other milk outlets the producers must make up most of this difference, which they have done to some extent, but not completely in all cases, and they have had accordingly to raise the price of their finished product to the consumer.

Cheese has been mentioned in former debates but I may refer to it, too. In 1963 the supporter price per hundred was raised from 25 cents to 30 cents on milk for cheese production. That did constitute a raise. But look what happened this year. This year, rather than a subsidy on the milk there is a 3.6 cents a pound subsidy on the manufactured cheese, but only on first grade cheese. I would point out that not all the cheese manufactured—cheddar cheese, that is—is first grade cheese. It ranges probably from 70 to 90 per cent. This means there is no subsidy on the other 30 per cent. That naturally means a loss to the producers of milk for cheese production.

The subsidy on export cheddar cheese is down under this administration. First it went down from 4 cents to 3 cents, and now from 3 cents to 2 cents a pound. This will necessitate a rise in the price of Canadian cheddar cheese on the United Kingdom market. The question is, can we compete with cheddar from countries such as New Zealand when we must demand more money for our cheese? Another point here is that our cheese has not been aged. After it has been exported it must be held for a year. Some of the cheese sent by other countries is aged and thus we are in an unfavourable position. If we cannot compete in this market, the milk producers here in Canada will be the ones who will lose. I think it is safe to say that in all parts of Canada the dairy industry has lost more than it has gained at a time when the cost of living and the cost of production are rising.

As to the cost of production, I might mention it is adversely affected by the 8 per cent tax. This tax will go higher. So these costs are higher every year although the price of dairy products has not gone up accordingly. [*Translation*]

Mr. Caouette: Mr. Chairman, just a few words in connection with this item 15 concerning administration, operation and maintenance, including the administration of the Agricultural Stabilization Act, and contributions to agricultural organizations to assist in the marketing of agricultural products and so on. Only I cannot see, among all those figures, any amount allotted to agricultural organizations. I can see, for example, directly related to those items, 418 employees who eat up—yes, I repeat, who eat up—$2,190,400 this year and $2,279,870 last year.

And the expenditures comprised in this item 15 are distributed in various paragraphs. Administration, continuing establishment, casuals and others, $800,000. Then salaries, wages, etc., telephones, telegrams, office stationery, supplies, $953,000. Then, we come to the Agricultural Stabilization Act administration: continuing establishment, casual and others, salaries, wages, $349,000. We notice travelling expenses, freight, removal expenses, telephones, telegrams, office stationery, sundries; there is nothing left there for agriculture. Nothing at all. I think the minister is considering that at the present time, and his senior officials as well.

A little further, we see: Prairie Farm Assistance Act Administration. There again there

is nothing for the assistance of prairie farmers; we read: administrative and professional, technical, operation and service, continuing establishment, casuals and others, salaries, wages, travelling and removal expenses, office stationery, supplies, freight, $796,000.

Once again, there is nothing there for farmers. As payment is made, expenditures are submitted to us for an amount of $2,200,000. It is the same thing this year and every year, there is nothing for the farmers; it is on their behalf, however, that 418 employees work and earn their living at the expense of agriculture, like every other class in society.

Mr. Chairman, I merely want to draw the attention of the minister to that point, concerning vote No. 15, because this is the one which is under consideration; looking at the other votes, we can see that the situation is the same: salaries, wages, expenses, office stationery, telephones, office supplies again, and there is never anything for the farmers.

The minister should submit real figures on what has been paid toward prairie farm assistance as well as eastern agriculture. I ask him to tell us how farmers are assisted by these $2,200,000 paid for administration.

It will be necessary, Mr. Chairman, to consider something other than administration, to talk, think and do something. A little while ago, I saw the Minister of Forestry (Mr. Sauvé) stand up when my colleague, the hon. member for Shefford (Mr. Rondeau) said that the minister might be the next minister responsible for ARDA and eastern agriculture. What if he is Minister of Forestry? Should he become minister of agriculture that would not bother us too much. We have seen many others before this one and there will be others after him. However, the administration remains. That administration is above political administration, because those people are the ones who prepare the estimates. The minister may not have seen them before they were printed, but the bureaucrats of the branch knew all about them. Only let us have clear indications as to how the money is spent and not just the distribution of salaries which are spread from left to right and north to south to reach the total of $2.2 million the Minister of Agriculture has now laid before us.

Let us have facts. We want to help agriculture. We also want to see the marketing of farm products and the stabilization of prices.

We have the Agricultural Stabilization Act, and I am all for it. But, after five, 10 or 15 years, what are the results? What have we today? What can the present minister tell us about agricultural stabilization in Canada? I appreciate that the present minister has only held that portfolio for the past two years. But we had another one who held it for six years, and the situation remained unchanged. Estimates are placed before us every year, but no clear or logical explanations are given.

We are told how this $2,200,000 are spent, but there is not 25 cents going to the Canadian farmer.

We are also told about organizations we have to subsidize. There is nothing about that in item No. 15, and yet it deals with organizations. What organizations? At the present time I see no organization except the 418 employees directly concerned by item No. 15.

[*Text*]

The Chairman: The hon. member for Rosthern.

Mr. Hays: Mr. Chairman, I think I should answer the hon. gentleman. I can appreciate that the way the various items are documented probably presents a problem in understanding them; but I cannot let the hon. gentleman's remarks go by without saying this. With regard to the stabilization act, for instance, it is impossible to know what might happen at the end of the year. The committee will remember that we discussed this question in the supplementary estimates, and $122 million was required and was turned over to the farmers. Eggs are a good example: we will probably have to support eggs this year. We are supporting them at 34 cents, and the weighted average across Canada will probably be somewhat less. It would be difficult to deal with this problem in any other way, because we do not know the total amount that will be required under the stabilization act. Last year the amount required was $122 million, which does not show in here.

Mr. Caouette: That is exactly what I said, Mr. Chairman; that the minister does not know what is now taking place in this connection. If $120 million are paid to support the price of eggs, where is it in this item No. 15?

Mr. Hays: It is in the supplementary estimates.

Mr. Nasserden: Mr. Chairman, I was rather glad to hear the minister mention the support price for eggs. As he knows, this is a question that has engaged the attention of most of the farm people in the province of Saskatchewan and, to a lesser extent, the

other prairie provinces. Under the stabilization act farmers expected they would have a certain guarantee over the years. The act has now been in operation for a number of years. This year, and at the beginning of the term of the present government, when I asked that the operations of the act be brought before the agriculture committee, that suggestion did not meet with the approval of hon. members opposite. Later on, after refusing to have this question referred to that committee, they had a change of heart and it was referred to the committee; but it was never brought before the committee for consideration.

I do not know what hon. members opposite have to fear in bringing this question before the agriculture committee for consideration. Surely in a period of six years changes in the act as it is now constituted have become apparent. The only way members of parliament can establish a sound basis upon which to suggest improvements is by considering the operations in some detail, studying them and then making proposals along those lines. One thing is certain; regardless of whether or not a support price is paid to the producers of eggs this year, producers in the province of Saskatchewan, and to a lesser extent those in the provinces of Alberta and Manitoba, will suffer a greater loss than the producers in any other part of the country, as a result of the operations of the act as it is now constituted. I would like the minister to give us a firm commitment that the operations of this act will be brought before the agricultural committee shortly.

Mr. Mandziuk: Mr. Chairman, I fully realize that the minister expects various requests, in particular from this side of the house, but the relief I am going to ask for is not going to cost the treasury anything. I trust that is some comfort to the minister. I realize that the Minister of Agriculture, a former rancher and cattleman, is interested in preserving our herds, and he is interested—or should be interested—in getting the best price for our beef cattle and dairy products.

The solution to the problem I am going to bring up lies in the hands of the minister of northern affairs, who it will be recalled gave me a negative answer yesterday when I asked him if any consideration was being given to the granting of special permits in the Riding Mountain forest reserve and national park to farmers owing to the fact they are faced with a hay shortage. They are faced with a drought situation, which I hope will not be as bad as it was in 1961. However, it is very serious in the northern portions of my constituency south of Riding Mountain, and even more so north of Riding Mountain in the constituency of Dauphin. I asked the minister of northern affairs whether any consideration was being given to this, and his reply to me was very discouraging, because he said, as reported at page 5237 of *Hansard*:

> —some practices grew up which were certainly not of the best. We are certainly going to be very careful that this does not arise again.

Before I take issue with that statement, Mr. Chairman, I wish to point out that in 1961 the then minister of northern affairs agreed to grant special permits to farmers who needed it to enable them to take out 10 tons of hay. For the record I may say that 111 such special permits were granted and over 1,000 tons of hay was taken out of the park. I would also put on record that there are regular permittees, about 65 to 75 of them, who have been cutting hay in this reserve for 20 to 30 years past. Their successors on farms occupied by them have also had them. Therefore, those not on the regular list look askance and are critical of so much grass going to waste in this Riding Mountain national reserve. I think that this year it is just as necessary to give full consideration to granting these permits as it was in 1961.

I fully realize that the Minister of Agriculture might have to convince the Minister of Northern Affairs and National Resources that he should consent to this because the parks are under his direct jurisdiction. But I would appeal to him to do just that for the sake of preserving our herds, because we all know what will be the situation if there is not enough feed. Our farmers will be compelled to reduce their herds and to depress further a market which is already depressed so far as beef cattle are concerned, which I believe would be contrary to the policy of any government and should be contrary to the sort of policy which the Minister of Agriculture is trying to pursue.

The minister of northern affairs was critical of certain practices. Of these I am not aware, because the reserve is in my own constituency and after the hay cutting season was over the hay was taken over by the farmers. According to the superintendent, he said that to the best of his knowledge all permittees obtained their hay and that as far as he knew the whole operation went off very satisfactorily. I cannot understand what grounds the minister of northern affairs has for giving me the negative answer he did. I

hope the Minister of Agriculture will give this matter careful consideration because the situation in my constituency is serious, as well as in other portions of northern Manitoba and in the northern sections of Saskatchewan and Alberta. But we have a source of supply. The wildlife people object to it and want to preserve all the hay and grass they can for the elk and the moose. But there is certainly more fodder there than the elk and the moose can consume, because people have been raising cattle and cutting hay there for generations, and still much is going to waste. Therefore, why not give it to those farmers who need it and leave it to the superintendent of the park to grant these permits?

[*Translation*]

Mr. Ricard: Mr. Chairman, I would not want to let this opportunity pass without saying a few words about that item because agriculture in eastern Canada is in such a state of stagnation that it is urgent—

Mr. Grégoire: You did nothing while your party was in office.

Mr. Pigeon: Do not answer. Continue.

Mr. Ricard: —that it is urgent to come back to it.

Mr. Grégoire: It was not that urgent while you were in power.

Mr. Ricard: Mr. Chairman, someone once said—

[*Text*]

We have to ask you again, Mr. Chairman, to feed the monkeys peanuts. Perhaps you will be able to keep them quiet. Perhaps the Minister of Agriculture has a few he can send over.

Mr. Knowles: Do peanuts come under item 15?

[*Translation*]

Mr. Grégoire: We will send you a bagful.

Mr. Ricard: Mr. Chairman, once again I say that to spend time on eastern agriculture is to show that we realize our responsibilities, even if in so doing we must take the time of the house.

When 10,000 farmers decide to go and submit their recommendations to a government, the situation is serious and, because of that, it is important to give it all our attention. In my opinion, we should all show our good will and try to do something for the farmer in general and the eastern farmer in particular—

[Mr. Mandziuk.]

Mr. Grégoire: You forgot about them when you were a member of the government.

Mr. Ricard: To consider this matter comprehensively, we must first of all go back a long way and find the causes which gave rise to this problem. I will take a few moments more than I intended to, on account of the interjections coming from the far left corner of the house, to say that the conditions now existing have been developing for a long time.

The Chairman: I take the liberty of interrupting the hon. member at the beginning of his remarks to remind him that we are now considering item 15 and that his comments must naturally be related to that item; he cannot discuss agriculture in general and his comments must be directly related to the item now under study.

Mr. Grégoire: Follow the rules.

Mr. Ricard: I thank you, Mr. Chairman, but I would have given you warmer thanks if you had called to order those good men at the back of the house—

Mr. Grégoire: It is you who is in the wrong.

Mr. Ricard: —they are the ones who make trouble. I would have preferred speaking before noon rather than now, but as I wanted to be better prepared to make my remarks, I chose to wait until this afternoon in order to relate them more especially to the milk and butter surpluses we have at the present time and which come under the vote under consideration.

However, as I abide by the rules and as I also want to comply with your instructions, Mr. Chairman, I come back at once to my subject, without further ado, to make comparisons—

Mr. Grégoire: There is nothing to compare; you did nothing.

[*Text*]

Mr. Ricard: Give the monkey another peanut.

[*Translation*]

Mr. Grégoire: Fine, we will send you some peanuts.

Mr. Choquette: Up until now you have said nothing about item 15.

Mr. Ricard: For the information of my hon. friend from Lotbinière (Mr. Choquette), we are now discussing price stabilization, and that comes precisely under this item. If he thought that my remarks were irrelevant, it

was because he was not following the discussion. If he paid closer attention, perhaps he would get to understand what we are talking about.

Mr. Chairman, I should now like to come back once again to certain election promises to remind the house that the Liberal party has pledged itself to provide assistance through crop insurance and to create new sources of income for farmers.

Mr. Rondeau: Mr. Chairman, on a point of order.

The Chairman: Order. The hon. member for Shefford has raised a point of order.

Mr. Rondeau: Mr. Chairman, the hon. member is out of order, and I beg of you to remind him that he should limit his remarks to item 15.

Mr. Ricard: I would ask you, Mr. Chairman, to excuse the hon. member. Those people are irresponsible, and we must expect from them interruptions that make as little sense as the ones we have just heard. However, as the other members facing us appear more intelligent and reasonable than the "Caouettistes", I shall continue my remarks for their benefit.

I see, on this page, that the Liberal party had promised to improve the support price system. Since we are now discussing more particularly this item, I should like to ask the Minister of Agriculture what he is waiting for to bring about those improvements which farmers, and especially Quebec farmers, are looking forward to?

Mr. Grégoire: Why did you not look after them yourselves when you were in power?

Mr. Ricard: I should also like to ask the Minister of Agriculture why, for example, he has lowered by $11 million or almost $12 million the dairy producers' income, especially in eastern Canada.

As you remember, Mr. Chairman, the Agricultural Stabilization Act was implemented by the Conservative government and proved highly beneficial to eastern farmers.

For the information of the house, I should like to recall that from 1959-60 up to now, under the Agricultural Stabilization Act, Quebec farmers were paid in subsidies the amount of $4,731,119; in 1960-61; $5,016,759; in 1961-62, $5,658,139; in 1962-63, $5,408,000, for a total of $21 million. The Minister of Agriculture often rises in the house to state that the price of milk has increased by 10 cents per cwt.; that the price of all products under the Agricultural Stabilization Act is ever improving.

I should like to ask the minister to check, for instance, the price of milk in the province of Quebec for December 1962. It was then $4.18 per hundred pounds, while a year after, that is in December 1963, it was only $4.19 according to the figures of the dominion bureau of statistics. This means an increase of only 1 cent.

This is a far cry from the 10 cents or even 15 cents mentioned more than once by the minister. I do not say that he knowingly wanted to mislead the house, but he probably referred to the wrong series of prices, he was mistaken in his comparisons because he took the price of milk when we came into office instead of the price of milk when we came out of office.

Mr. Chairman, I could give several examples of the lack of leadership on the part of this government because they do not have the required programs to fulfil their election commitments.

I have here an item from the newspaper *Le Soleil* of October 12, 1963. As you know, Mr. Chairman, due to the lack of planning in the post-war years, we piled up stocks of butter and dairy products which gave us considerable trouble and for which we had a hard time finding the necessary markets. Canada sold stocks of butter to Great Britain twice. The item I mentioned a few months ago deals more especially with the marketing of our dairy products. Here is what it says:

> After selling huge quantities of grain to China, the Soviet union, Japan and other countries, the Canadian government has just sold 5½ million pounds of butter to the United Kingdom—

Some hon. Members: Oh, oh.

Mr. Ricard: I am glad to see that my hon. friend from Argenteuil-Deux-Montagnes (Mr. Drouin) applauds, for I would now ask him to compare the sale to England in 1959 and the one I just mentioned. For this sale of 1959, I refer to the item in *Le Soleil* which I just quoted.

> In 1959, Canada sold 13 million pounds of butter to Great Britain where there was also a shortage of that commodity.

That is far more than 5 million pounds.

> The price then was 56 cents per pound.
>
> That is far better than 25 cents. The Minister of Agriculture, Mr. Harry Hays, stated that surpluses of butter and butter oil had to be marketed even if we had to sell at a sacrifice.

I ask my hon. friends opposite, and more particularly the hon. member for Argenteuil-Deux-Montagnes, which of those two trans-

actions was the most profitable to Canada. Was it the one which provided for the marketing of 5 millions pounds of butter at 25 cents per pound under a Liberal government, or was it the one which took 5 million pounds of butter out of the Canadian market at a price of 56 cents per pound?

Mr. Drouin: Does the hon. member for St. Hyacinthe-Bagot want an answer immediately?

Mr. Ricard: If you can see the difference, I would be very happy.

Mr. Drouin: I should like to point out that the value of a businessman or a politician or a minister is not judged from one transaction, but rather from his general administration.

Now, the present Minister of Agriculture deserves congratulations in that regard because he proved to be a peerless administrator in view of his success in marketing our surpluses.

Mr. Ricard: If I wished to follow my hon. friend on the grounds where he invited me, I would tell him that if we succeeded to market grain, it is due to the hon. member for Qu'Appelle (Mr. Hamilton) who set out marketing procedures which were followed by his successor now sitting on the treasury benches.

Mr. Chairman, I should also draw the attention of the house to the fact that, during the last election campaign, our friends opposite promised free milk distribution in our schools. Some time ago I mentioned this problem in the house, saying that I very much doubted that the Liberals intended to keep that promise at the time it was made. Yesterday I learned that they have absolutely no intention of having this free milk distribution in our schools. I heard from the very lips of the Minister of Agriculture the following statement which can be found on page 5239 of *Hansard*:

> Mr. Speaker, I have discussed this with all the ministers of agriculture in Canada. We have discussed the matter with many of the people who are interested, but many of the ministers think this is a program which, as I suggested before, due to the state of the economy we should wait a little while before pursuing any further.

Mr. Chairman, the Liberals made promises which they could not possibly keep, just to secure some votes.

I want to conclude—

Some hon. Members: Oh, oh.

An hon. Member: You did not say anything.

[Mr. Ricard.]

Mr. Ricard: Mr. Chairman, as my hon. friends seems to appreciate my remarks so much, I shall say a few more words.

Mr. Chairman, I would just like to show you how the catholic farmers' union feels about the present Minister of Agriculture, according to *Le Devoir*—

The Chairman: Naturally, I do not know what is to be found in the article referred to by the hon. member, but I would remind him once again that the comments he is making now must relate directly to the item before us.

Mr. Ricard: The clipping I was referring to, Mr. Chairman, deals especially with milk products. But since you have read my mind, I shall simply refrain from quoting from it. It does seem to me, however, that you are showing quite a bit of zeal in calling me to order when I am still abiding by the rules. I cannot do otherwise than to draw the matter to your attention.

I would like to ask the minister why, as Minister of Agriculture, he takes pleasure in reducing the income of the eastern farmers who devote themselves especially to the dairy industry. For instance, why did he reduce the subsidy on butter from 14½ cents to 13¾ cents per pound? Why has he allowed a reduction of 1 cent per pound to the butter producer? Why has he allowed an increase of 1 cent per pound in the price of butter to the consumer? Finally, why has he saved $12 million at the expense of the eastern farmers?

Mr. Chairman, is going out of one's way to reduce the farmers' income helping the farmers?

I warn the Minister of Agriculture and the other members of the cabinet that if they do not do what they should to protect eastern agriculture, the farmers will march on Ottawa, they will submit their claims to Ottawa, because they want the assistance which has been promised to them, they want the Minister of Agriculture to consider their problems in order to help them, and not to whittle down the income to which they are entitled.

[*Text*]

Mr. Rapp: Mr. Chairman, it was my intention to speak on vote No. 15 and to deal particularly with supplementary payments pertaining to the sale of eggs and hogs under the stabilization board. My colleague the hon. member for Rosthern, has dealt with this matter but I should like to mention one thing that is of great concern to the producers of eggs and hogs in the west, the amendment

of the Agricultural Stabilization Act so that these payments will be made on a regional and also a semi-annual basis. We in the west have never received any deficiency payments in this regard and I do not think we will in the future unless something is done.

My remarks will pertain mostly to the Prairie Farm Assistance Act inasmuch as it will be made use of a great deal on the prairies this year, particularly in the area which at the present time is severely affected by drought conditions. I refer to the north central and northwest parts of Saskatchewan which at the present time are almost dried out. In these areas approximately 40 per cent of all the wheat planted in Saskatchewan is grown and approximately 60 per cent of all the oats and barley crops, and if we take this into consideration we can realize the severe conditions that the farmers are facing at the present time. The government has said that measures will be taken to alleviate the serious situation but in my opinion it is a case of too late and too little.

I think it came too little and too late—too late to the extent that had the minister taken into consideration the warnings given by the Leader of the Opposition, myself and some others, a number of the farmers would not be put in a position of having to sell some of their livestock. I say too little, because although some of the cattle will be put on community pastures the number of cattle involved in that is very small.

I would like to direct the minister's attention to the need for more community pastures, to be established under ARDA or other legislation. There are huge areas that could be converted into community pastures where farmers could place their cattle if in future they are faced with these drought conditions.

The situation is going to be very serious and many farmers will not have hay or other feed for their cattle. In these circumstances arrangements could be made to have the crops cut for hay before they are ready to be harvested, and provision should be made to have the areas in which this is done made eligible for payments under the Prairie Farm Assistance Act. Further, if the situation does not improve, measures should be taken to prevent feed from being exported out of the province so that it will be available to farmers during the winter period.

Yesterday the minister stated that he had seen these areas and therefore I shall not elaborate on this point. However, I would like to see him keep in close touch with the Saskatchewan department of agriculture and give all the attention he can to the situation.

Mr. McBain: Early in the session the minister announced a support or floor price of 47 cents a pound on flue cured tobacco. When the 1963 crop was sold the average price realized was 46.84 cents per pound, and I ask when will the support price be paid to these producers and whether the amount will be .16 cent per pound? Will it be paid to each individual grower or to the Ontario marketing board? If my figure of .16 cent per pound is correct this is going to mean less than $300,000, and this seems quite a small amount considering that the crop produces upwards of $400 million for the treasury through all forms of taxation. Further, will the flue cured tobacco growers in Quebec come under this support price?

Mr. Hays: With regard to the tobacco for which we provided the 47 cents support price, we have heard from the flue cured tobacco people and the average price for this tobacco was 49 cents a pound. In these circumstances there will be no deficiency payment.

Mr. Hamilton: I do not want to hold up this item too long as I wish to see the estimates go through this afternoon, and I shall do everything I can to expedite them. First, I want to thank the minister for having provided me with a copy of the increases and decreases in each vote because this has saved a good deal of time on asking questions.

The matter I want to speak about is one I raised in my opening remarks, namely that I am very deeply concerned about the dairy industry. I asked what inducements the minister was giving to the provincial governments and the farm organizations to encourage them to get together and form a single dairy organization. The reason I mentioned inducements was that we, as responsible members of parliament, want to take the load off the taxpayer that the stabilization act puts on him at present.

If you study the financial figures under the stabilization act you will find that for some years we support one industry and then for several years it will disappear as one of the items. The ultimate aim of the act should be not to have to pay anything, because when you don't have to pay anything it means every segment of the industry is able to look after itself.

At the moment the dairy industry is the sore spot and I am going to put forward, as briefly as I can, one or two suggestions which I hope the minister might take under consideration, if not for discussion at least to be aware that they should be considered. I make

these suggestions based on the fact that in my judgment the dairy industry, both at the producer level and at the processing level, is oriented toward the domestic market.

During the history of Canada the domestic market has been able to absorb the production from our dairy farms but in recent years, due to the rapid growth of technology and to the fact that more farmers wanted to raise their methods of living, we have a situation now when the productive capacity of our dairy farms is much greater than the Canadian market can absorb.

This problem can be met in two main directions. One is to move in with policies to encourage farmers at the marginal end of the scale in the dairy industry to move into other occupations or other types of farming. That is one road, and the other is to try and find, as was suggested by one of the hon. members to my left, an outlet for this production outside the country. The Canadian dairy industry and government officials tend to throw up their hands at the suggestion of finding relief in foreign markets. The reason for this is easily apparent. Price levels in Canada, the United States and most of the industrial countries of the world are so high for dairy products that we are not competitive with countries like New Zealand and Denmark which have a low cost type of product.

Because of this discrepancy in the price levels, and because of the advantages which efficient producers in Denmark and New Zealand enjoy and which we have not got, there is a tendency to say we cannot do anything about our dairy export markets. All we see ourselves doing is to give away our surpluses which are in storage at cut rate prices and let some individuals peddle them where they can with a depressing effect on world prices to the detriment of our good friends in Denmark and in New Zealand who are completely dependant on this type of market.

I rise at this time to challenge this type of thinking. I think that just because we are in a difficult situation with a price structure on the dairy side so different from the price structure of world market levels there is no need for despair. I think there are solutions. These solutions will not be easy but I think they can be reached not only in terms of our taking our industry in Canada outside into the markets of the world, but also by our realizing that at least a score of other countries are surplus in dairy products, and work with them because their problem is the same. In other words, a solution to the dairy problem will not be reached only by agricultural support policies in this country. All you can do is twist and turn within the limits of the Canadian market, and if the present productive capacity of our dairy farms is producing 6 or 7 per cent above the demand, then the agricultural prices stabilization board works under great difficulty. But we might well realize the truth, that is that there are over a billion people in the world who desperately need protein products. I say "over a billion people" because I do not include the people of China. In my opinion the Chinese have been able to substitute protein derived from vegetables. But in the main the world demands proteins today from fish, from dairy products and from livestock products. The test is of course the difference in price, and the fact that in most of the countries where the need is so great they lack the ability to store these products and they do not have the ability to pay for them. These are the difficulties.

I would like to put forward some remarks or suggestions I made on September 17 last to a meeting at Stevens Point, Wisconsin to the creameries association. At that time there was not too much publicity attached to these remarks because other things were in the news. I was a little disappointed because I thought the time was right to move with our friends to the south on this point. Before I go into those remarks let me repeat that the problem of the dairy industry in the United States is almost identical with our own problem here. Their surplus runs at about 8 per cent as compared with 6 percent or 7 per cent here. They have a number of dairy farmers at the top level of efficiency who are doing well, but the great majority of their dairy farmers are in the same predicament as are the great majority of ours.

My suggestions to these men in the agriculture business were as follows: first, since the demand is mainly for protein food, that the dairy industry, including agri-business which handles dairy products, accept the possibility that there is a tremendous opportunity for expansion in the export market for dairy products that can satisfy the requirements of this new type of market. That is the first suggestion. Psychologically we should face the fact that if a billion people are hungry, we have the ability to produce and can get over the difficulties. That is the first suggestion: accept that philosophy. The second suggestion is that agri-business in North America join forces for a combined program of development of new

markets for farm produce. Why did I put that suggestion in? When you look at the businesses which handle and dispose of the products of American farms both here and in the United States, they are almost always the same businesses. Whether it is Swift here or in the United States, it is the same firm. They are working on this philosophy that the only market available for United States or Canadian farm products is in the United States or Canada. I say this philosophy is wrong in the year 1964 and we should ask this agri-business to accept some responsibility in helping to meet this situation.

The third suggestion I made was that government research in products suitable for handling, shipping, and storing for warm countries be accelerated. Already the United States department of agriculture has done a tremendous amount of work in this field. Already, here in Canada the department has done very good work in learning how to dry, store and handle varieties of different products. Our research and development in this respect are among the best in the world. I am simply suggesting in my third proposal that governments be encouraged to keep up this work and turn the results over to agri-business. As a matter of fact, at the present time, in my opinion governments are ahead of business in this research work, and agri-business in the United States and in Canada which for the most part is composed of the same firms, is delinquent in not making the best use of this research work which is available, so as to take Canadian and United States products to lands where they are needed at prices which the people can afford. I make that charge after due consideration.

The fourth recommendation I made was that the present efforts of the governments of Canada and the United States to achieve international commodity agreements be given increased impetus by the two governments calling a meeting of ministers of the dairy surplus countries, to help clear away the difficulties that are holding up present negotiations under the United Nations.

There are approximately 24 nations in the world which have surpluses of dairy products. Every one has the same problem as Canada. Discussions have been going on in the United Nations for a dairy commodity agreement. These discussions always founder on the point that these 20-odd nations have a higher price level domestically than the world price. I suggest this is not good enough. This type of price level can be met by international commodity agreement which makes allowances in the form of quotas, and price levels within those quotas, to provide for the maintenance of a price which is necessary in our situation in Canada, the United States, Holland, the Scandinavian countries, Germany, and so on to give their producers fair returns. We should then be able to give to the world the advantage of our tremendous technology and ability to produce these protein products on our dairy farms, and allow these people in newly developing countries some chance of access to them.

I could examine this a little further by saying that in trying to get an international commodity agreement Canada should always be first in the fight to help those newly developing nations get international commodity agreements for the products they sell. I hold those who are now in office and who are sitting on the treasury benches at the present time responsible for a lack of really gutty leadership on this question of international commodity agreements. Too easily did they stand aside and see the sugar agreement go down. If we had had an international sugar agreement fixing, say, 5 to 8 cents a pound for sugar at wholesale price levels we would be doubling the income of the people who produce sugar across the world, as compared with what they have received in the last 25 years without markedly increasing costs at home. In a favourable position of that kind they might well be able to buy from us the goods they need so desperately. So when it is said: We cannot make an agreement now because the price is too high, my answer is this—when the price is high is the time to start bargaining; if you start by assuming that you intend to give these people a fair price for their product they, in turn, will be able to buy from us, thus taking a load off the shoulders of the taxpayer at home in connection with price support.

My fifth suggestion—I am not in the government now but I keep picking away at these problems—my fifth suggestion was that agri-business examine the multilateral trading techniques of the big international grain selling organizations to decide whether these companies could handle dairy products, or that similar types of organizations be set up for dairy products. I had in mind the tremendous productive capacity of the dairy industry in Canada and the United States and was wondering whether serious thought had ever been given by our producers to selling their goods abroad by using techniques which have been so successful in other fields, with what help the government can give.

I am suggesting we had better take a hard look at those international grain companies that are doing such a wonderful job for us today by selling the production of the wheat farms of the world. Many people think the wheat board sells Canadian wheat. Every time I have raised this question their eyebrows have gone up about an inch. Under the law the wheat board has the monopoly power to sell all the grain from western Canadian farms. But to be technically accurate, they turn that monopoly right over to agents of the board; so that the great bulk of Canadian grain is not actually sold by the Canadian wheat board at all—they simply give an agent a licence to sell the grain.

So there has developed in the grain marketing area of the world one of the most efficient operations the world has ever seen. There are four main international companies, Bunge, with headquarters in Rio de Janeiro; Cargill, with headquarters in Minneapolis; Continental, with headquarters in New York; and Dreyfus, with headquarters in Paris. These four great international grain companies not only handle wheat but any other type of cereal product. Why should they not, with all their vast machinery and know-how about the marketing opportunities for small amounts of 500 bushels of wheat today, or 5 million bushels tomorrow, consummate these sales in matters of seconds with their electronic communications apparatus? Why should they not consider taking over other products, such as butter oil? Why should they not take over anything that can be stored or shipped; anything that can be graded and put into storage? Everybody in this organization knows how much is available, at what price, and what grade. This type of organization has been developed in selling grain all over the world, and why cannot this knowledge be put to use to help the dairy industry?

If these international grain companies are already big enough in their own operations and do not want to go into other products, I think government leadership is necessary. The situation demands that we ask the dairy processors, who are so good and efficient, to handle our dairy products within Canada and the United States and to take on the big responsibility of helping our dairy industry. Government leadership should be provided to encourage them to get off their nice, plush seats and sell the products off the dairy farms of Canada and the United States all over the world. The reason I put these two countries together is that most of their dairy products are handled by the same companies.

The sixth suggestion I will leave for the moment because it would take too long to explain. I am sorry that I am rushing through these remarks, Mr. Chairman, but I want to help the minister get his estimates through. I want to conclude my remarks by saying that as I listened to the speech of the hon. member for Nicolet-Yamaska today I wondered how many in this house realized he was pioneering a new proposal in connection with the agricultural prices support board. He was bringing into the dairy industry a selective type of support, and he suggested that supports should be concentrated into the pockets of those who need them the most. The hon. member suggested, as I heard his speech through the translation system, that farmers producing up to 100,000 pounds of milk a year should be given the support of the agricultural prices support board; those that produced above that amount were big enough to get up on their own feet and find their own opportunities, which was not the case with the man whose production falls below this amount.

I do not know whether that suggestion will be workable, but I think it is the type of philosophy that was in the minds of the people who established the agricultural prices stabilization board, and his suggestion should be given serious consideration. This is the type of policy that we intend, when we take over the treasury benches, to put into effect. I suggest, further, that knowing the cost of producing milk, any government that does not aim to give producers of milk in every part of Canada a minimum price of $3.50 a hundred is not being fair to that segment of the Canadian people. We ask the provincial governments of this country to enact minimum wage laws providing a minimum wage of $1 an hour in most provinces. As the member for Nicolet-Yamaska made clear in the figures he quoted, even the man who produces 100,000 pounds—the maximum allowable under his suggestion—would only be guaranteed a gross income of $3,500 a year; and that would only mean a net income of about $1,500. Surely this is a right that farmers should expect in this country. I would say that not only will the Conservative party support that type of philosophy but we would like to move in this direction into other areas of our economy, such as the poorer areas of our cities. I cannot discuss this question here, but we would like to do the same thing with regard to other areas of our economy.

I would like to compliment the hon. member for Nicolet-Yamaska for putting that

proposal forward. I know the many hours of study he has put into this question and into the mathematics of what it will cost. With the knowledge I have of what he has done, I am prepared to support his proposal and go further and say that I think our target should be $3.50 a hundred for the production of milk in Canada, as a minimum.

I have said what I wanted to say, Mr. Chairman. There was another subject I intended to deal with, but I will just mention it briefly. I refer to the attitude of helplessness that comes over ministers at times when difficulties are put before them. We are now told that a milk program for our schools is impossible; that the provincial ministers do not think it is economic. This raises the whole question of dominion-provincial relations in this country. One of the questions I raised the other day in the house was as to whether the province of Quebec is going to expand its shared cost program under ARDA. The minister replied yes, that that is the type of thing that is a joint, constitutional responsibility of both the federal and provincial governments. I would suggest that this attitude should be spread; that each one of those joint sharing programs should be looked at by itself. If in the case of ARDA it is good to expand it, fine. But here we are dealing with a subject that is as equally important as the ARDA concept, namely the dairy support program. I would suggest that if you take the initiative away from the federal government to make proposals in connection with dairy support, the dairy problems in this country will never be solved. I say this because it is so easy for provincial ministers to slip back into the woodwork and disappear when this subject is raised. They do this because it is a tough subject. It is so easy for them to become chameleons and fit into any background.

I think the job of the federal minister is to bring these reluctant provincial ministers forward and say to them, "Sixty per cent of the farm population of your province is in dire need. We have to work together on this question". Let all the provincial treasurers and the Minister of Finance at Ottawa go back into the woodwork for a while. These are vital problems. If the Minister of Agriculture of Canada wants to make a name for himself and solve these problems of the dairy industry, he should bring these reluctant provincial ministers out into the open and tell them they have to share with him the responsibility of assisting this industry. They should go to the provincial governments and farm organizations and say, "We are prepared to help you this way, and this way, and this way, financially. But you have the constitutional power in many of these things, and therefore you must co-operate".

I think the farmers want an end to all this legal hair-splitting with regard to whose responsibility it is; they simply want action. One of the heaviest drains on the taxpayers of Canada is item 15 and the supplementaries that go along with it. I simply point out, Mr. Chairman, that the farmer does not want to bring his problems into this house and put heavier loads on the taxpayers under item 15; he wants a chance to solve his problems by his own efforts. But he has to have the leadership not only of the federal minister but of the provincial ministers. I do not know how far I will get in making these proposals but I do know that I intend to keep working for them.

Mr. Cardiff: I do not intend to hold up the committee because I should like to see this estimate passed, but I do want to say a few words on administration. I have been very patient with the minister ever since he took over his portfolio. One could not expect a minister after years of being so conservative to be very liberal in this short space of time. And he has not been getting any help from his colleagues, which is very necessary if he intends to do anything or to get anywhere. I have worked with his officials and I find them fine fellows to work with, but they have to have direction from the government and they cannot go ahead without direction. The minister is not giving them sufficient direction to do the things we expect him to do.

To prove my point I should like to show you how interested is the Liberal government in agriculture. We have an agricultural committee of which I have been a member for the last 24 years. The other day we sat for 35 minutes before we could get a quorum. Half of the Conservative members were ready to proceed, but we waited 35 minutes for a quorum. Then at the best we had only four Liberals sitting on the committee. The meeting was called for 9.30 and we sat there until 12.30 and at no time were more than four Liberal members present. So, Mr. Chairman, you cannot expect the minister to do everything for the country when he has no backing from his own side of the house.

I would suggest to those Liberal members of the agriculture committee that if they do not understand anything about agriculture let them go to the committee where they will find out a few things. It is essential this

committee have a quorum, and I do not think it is fair to its members to have to sit there for 35 minutes—sometimes it is 40 minutes —waiting for a quorum.

Mr. Moreau: Would the hon. member permit a question. In the banking and commerce committee the last time it met there was only one Conservative there, who showed up for about 10 minutes.

Mr. Cardiff: Since the hon. member raises that, yesterday a meeting of the public accounts was called. It is chaired by a Conservative to make it non-political. We sat there for 35 minutes and only one Grit came along. Eventually we adjourned and did not have a meeting at all. These officials who appear are called to give the committee guidance, yet hon. members opposite do not think it important enough to attend. I have no intention of criticizing the minister on these estimates; we want to get them through. I only rose in my place to try and help him as much as I can, if he will try to help himself.

Item agreed to.

Health of animals—

40. Administration, operation and maintenance including Canada's fee for membership in the office international des epizooties, and authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from packers requiring special services, $11,954,900.

Mr. Jorgenson: Mr. Chairman, I did not want to take up too much time on this item but there is one matter I want to mention in connection with the operation of the health of animals division. I do not mean this to be a criticism of the officials of the branch of this department; Dr. Wells and his staff are doing a very commendable job of carrying out the policies of the administration of this department. However, during the last year a matter was drawn to my attention which I should like to raise with the minister at this time. It is in connection with poultry evisceration stations and the inspection of poultry processed through these evisceration stations.

I note from a reply to a question which I placed on the order paper on October 1 last that the percentages of the number of condemned birds going through these plants is increasing. Logically it is expected that this would be the case if the number of birds being processed was increasing as well. However, I find that the number of condemned birds is increasing out of proportion to the increase in the number of birds being processed.

On investigating I discovered that some of the farmers in my area are disturbed about this matter. The situation is simply that they feel they own the birds. They have no contract for sale when the birds are brought into the evisceration plant, yet in some cases a fairly substantial percentage of these birds are condemned and are simply taken out of the farmers' hands. These farmers have paid for the cost of raising the birds, and arbitrarily they are being taken away from them and sent to the rendering plants. In some cases I understand the evisceration plants are selling the birds to the rendering plants at a profit, the farmer receiving nothing.

I am fully conversant with the problem of the health of animals division in ensuring that the consuming public are supplied with high quality meat. I will not go into details about this matter because I have had experience in this field, but here is a principle which should be looked into. I asked the minister whether he would direct his officials to give attention to this particular problem so as to ensure that, in cases where a farmer feels he has been unduly penalized as a result of a large number of his birds being condemned and taken away from him and sold by the evisceration plant at a profit, there should be some return given to the farmer for these birds. I was wondering whether the minister could comment on that or would look into the matter for me.

Mr. Hays: Mr. Chairman, I would be very glad to look into this; and I should like to speak to the hon. member privately with regard to the locations where these problems exist.

Item agreed to.

Land rehabilitation, irrigation and water storage projects—

65. Payments in respect of projects and programs under the Agricultural Rehabilitation and Development Act, and payments to provinces pursuant to agreements entered into under that act, $12,000,000.

Mr. Doucett: Mr. Chairman, before this vote passes the hon. member for Humboldt-Melfort-Tisdale asked a question in connection with deficiency payments and whether the minister would be making an interim payment on eggs. Would the minister care to comment on that?

Mr. Hays: Mr. Chairman, I do not think this will be necessary because the period ends at the end of September.

Mr. Cardiff: Eggs have even been running at 30 cents a dozen for a long time. They have even been down to 28 cents and may

have been lower than that. I expect they are even lower in Saskatchewan and Manitoba.

Mr. Hays: We certainly expect that there will be a deficiency payment paid; there must be no question of that.

Mr. Doucett: The point is, when will they get paid?

Mr. Hays: I think the year period ends on September 30. We will put out the payments as soon afterwards as possible.

Mr. Hamilton: In view of the fact that this item concerns ARDA and there has been a split in the duties of the Minister of Agriculture, and a new department is going to be formed relating to ARDA and forestry, I wonder if we could get some sort of statement of philosophy from the new minister who is going to be looking after ARDA and forestry? What does he intend to do with this legislation? I would think a statement could be made in four or five minutes. We would not expect him to make a lengthy statement, but let us hear what his thinking is on ARDA in a general way.

Mr. Sauvé: Mr. Chairman, as members of the house know, government order No. 60 will be called this fall to introduce the new department of forestry and rural development. I then hope, at the resolution stage, to make a lengthy declaration on ARDA, rural development and the conditions in rural areas. I shall be pleased, however, to make a few remarks today on how the program is working and what we intend to do with the program.

The hon. member for Qu'Appelle will recall with great pleasure that he had the honour of introducing this legislation into the House of Commons. As I have said here in the house and outside, it was probably one of the best pieces of legislation the previous government introduced. I have commended him for this. This is a joint federal-provincial program which is, in a way, in the experimental stage. It has been going on for three years. We have projects in all the provinces of Canada. We have signed general agreements and special agreements with all the provinces. I have announced that I hope at the end of August or early September, to call a federal-provincial conference of the ministers responsible for ARDA to review the existing agreements, with a view to signing new agreements that would begin on April 1, 1965 for a number of years.

I have been visiting all the provinces of Canada and discussing all the problems related to ARDA with the ministers. There is a general consensus that this is an excellent program and there is a great future for it. My basic philosophy on ARDA is rather simple. If I could express it in a few words, I would say that I feel this law is entirely directed toward the low income people, the low income regions in rural areas. We have to do everything we can to eliminate poverty in the rural areas. It is not only an agricultural program, but it is a program to look after all resources in the rural areas—agriculture, forestry, fishing, tourism, small industries—and we have to devise ways and means of improving the living conditions of the people in the rural areas, people who have a right to as good a living as the people in urban areas.

This will mean new methods of co-ordinating the services of provincial governments and the federal government, co-ordination at the regional level and at the national level, by means of new experiments in government. It is for this reason the meeting we will have this fall to review the agreements is so important. We are having meetings with the province of Quebec about this rural development of the region of the lower St. Lawrence, about which I have talked in the house and about which members of the house received a folder last week giving them much information. I am very proud to be responsible for the implementation of this law which to me is a wonderful piece of legislation and I hope members will support it as they have supported it in the past.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I noticed and also read in the newspapers that the Quebec regions where ARDA will be applied are as follows: Gaspé, Îles-de-la-Madeleine, represented by the minister, and Abitibi, represented by hon. Mr. Courcy, minister of agriculture in the Quebec government. I have no objection to the fact that those regions, which need help, will benefit from ARDA and to the fact that the two ministers concerned try to help their own people first. I do not have any objection to that, but I would not like the authorities concerned to show any discrimination in the application of that act.

The areas represented by the members of the government should not be the only ones to benefit under the ARDA program; others also need assistance, such as the regions of Joliette-L'Assomption-Montcalm and Berthier-Maskinongé-Delanaudière, for example,

or the one represented by the hon. member for Brome-Missisquoi (Mr. Grafftey), and others.

I should like to ask the minister on what basis he selects the areas which are to benefit under the ARDA program? Why have we neglected to apply the act to the counties of Joliette-L'Assomption-Montcalm and Berthier-Maskinongé-Delanaudière where a large part of the population needs as much assistance, under this program, as the region of Îles-de-la-Madeleine or that represented by the Quebec minister of agriculture?

As I said before, I have no objection if those areas benefit from it. But other areas represented by members not on the government side, surely have the right to see that their people also benefit from that legislation.

The area which I represent, namely Joliette-L'Assomption-Montcalm—especially the northern part of the Joliette-L'Assomption-Montcalm riding—and also the Berthier-Maskinongé-Delanaudière area are faced with serious economic problems. There is in those areas of Joliette-L'Assomption-Montcalm and Berthier-Maskinongé-Delanaudiére, a well organized economic planning board which, for some months, has attempted to have a portion of that area come under ARDA.

I wonder why the minister declines to put that area as well as some other areas such as that of Brome-Missisquoi, or that part of the province, under ARDA.

I should be very pleased if the minister would tell the house on what basis he chose the areas where ARDA is to be applied. Is it a political criterion? He should tell us. If it is an economic criterion, he should tell us also.

I am astonished to see that the first areas where ARDA is applied are those areas represented by the two ministers I have mentioned above, the federal Minister of Forestry and the minister of agriculture for Quebec.

Moreover, Mr. Chairman, I must say this: Mr. Courcy, minister of agriculture in the Quebec government, attacked me unfairly in the Quebec legislature during the present session. He said that the member for Joliette-L'Assomption-Montcalm, when he was parliamentary secretary to the minister of agriculture, tried to mislead the farmers by telling them: "Submit your accounts to the government and they will be paid."

Mr. Chairman, I challenge the provincial minister of agriculture to prove this statement. I never said such a thing. Therefore I ask the provincial minister of agriculture to show no discrimination in the selection of areas for the application of ARDA and to help equally the areas not represented by government members.

Mr. Sauvé: Mr. Chairman, I hope that my hon. friend will believe me when I say that I had nothing to do with the selection of the nine areas of the lower St. Lawrence and Abitibi which would benefit from the ARDA program in the province of Quebec.

This procedure began last year when I was not yet a minister, as my hon. friend knows. Moreover, it is the provincial minister of agriculture who undertakes to propose to the federal government the development of projects under ARDA. The federal government has nothing to do with the selection of development areas or still with the submission of practical projects of drainage, soil conservation or community pastures.

I think my hon. friend is somewhat confused. At present, five groups of projects are foreseen under ARDA and so far as the province of Quebec is concerned, hon. Mr. Courcy stated at Mont Joli, last Saturday, that for some time there will be only two rural development areas, namely the Lower St. Lawrence and Gaspe area and the Abitibi area. I believe I pointed that out to my hon. friend yesterday. Those two areas were designated exclusively on the basis of economic considerations and the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) is familiar enough with the province of Quebec to know that, in those rural areas, the level of income of many families is the lowest in the province. That is why the provincial government decided to develop first of all these two areas. The fact that Mr. Courcy is member for Abitibi and that the present speaker is member for the constituency of les Îles-de-la-Madeleine is irrelevant for, in my case, this happened long before my appointment.

This does not mean that because there are only two designated areas, no other projects will be submitted by the province of Quebec; in fact, the reverse is true. Up to now, we had more than 117 projects submitted by the province of Quebec, representing a total amount of $6 million. Moreover, other projects are under study; projects for the province of Quebec concern drainage and very few have anything to do with development programs such as I have just mentioned. I wish my hon. friend knew there is no limitation, except in the designation of areas.

The Joliette area, and the other areas in need of ARDA, will continue to benefit from it, but the initiative rests with the provincial

government. It is not for the federal government to decide what should be done. According to the terms of the agreement between the federal government and the provincial governments, it belongs to the provinces to take the initiative, since they are responsible for the administration of ARDA.

My hon. friend should believe when I declared that neither hon. Mr. Courcy nor myself interfered to obtain the designation of the areas we represent.

Mr. Pigeon: Mr. Chairman, I would like to add a few words to what the minister has said—

The Chairman: May I suggest to the hon. member that other hon. members have expressed the wish to speak at five o'clock, especially the hon. member for Macleod (Mr. Kindt).

Mr. Pigeon: I merely want to point out that I have been very polite in my remarks and that the incomprehensible interruptions of the hon. member for St. Denis (Mr. Prud'homme), who does not know anything about agriculture—I would suggest that he should learn his agricultural catechism and show more dignity in the house—are quite unwelcome.

[*Text*]

The Chairman: The hon. member for Macleod.

Mr. Kindt: Mr. Chairman, I should like to say a few words concerning ARDA to the new Minister of Forestry who is in charge of administering the program. We are not satisfied with the number of projects that have been started in western Canada, particularly in Alberta and above all in the southern part of Alberta. I read the report prepared for the minister's office and to me it connotes that there is nothing but a lot of sidetracking going on. In other words, what has been done in most cases is to sidetrack the ARDA program and, if possible, shift matters to the P.F.R.A. administration which is under the Minister of Agriculture.

Why has scarcely nothing taken place? Because the federal government will be expected to pay the full shot under P.F.R.A. whereas under the ARDA program it would be a co-operative venture with a sharing of costs with the provinces and local governments. There is something very seriously wrong with the set-up, with the action we are getting and the number of projects that are being undertaken. I say to the minister that even with all the projects he has okayed he has not scratched the surface. This inaction should be corrected. He must learn that he cannot sit in a law office in Montreal and expect to get results under this program by leaving all of the initiative to the provinces.

I know that agreements of understanding have been reached with the provinces, as the minister has just indicated, but the present situation was not contemplated when the house passed the act. There was supposed to be aggressive initiative on the part of the minister in charge of administering ARDA. It is one act which, if properly administered, could do more to develop this country than any other law on the statute books of Canada.

The minister has said that he believes it is a good act. Let me tell him that it is not being administered properly. I suggest to him that he take another look at the situation. I suggest that he clear up some of the difficulties, some of the strife between P.F.R.A. and ARDA and do so right in the provinces so that we will get some action in those dry areas of western Canada along the Rocky mountains which are begging and hoping to have surveys made and an active program implemented under ARDA.

Mr. Herridge: Mr. Chairman, I will take only a couple of minutes to say that I was very pleased with the minister's brief statement with respect to rural rehabilitation and to note in his statement that there is a continuity of spirit and philosophy with respect to rural rehabilitation. I must say I thought it was sporting of him to give credit to the former minister for having introduced this very useful legislation, which has a great potential if we can get co-operation among the federal government, the provinces and the local people. I think the foundation of success for this program lies in co-operation among all levels of government, the organizations involved and the people themselves. This group will look forward to the introduction of the legislation that the minister mentioned and to his statement with respect to the policy in connection with the further expansion of this program.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I have a few more questions to ask. I can assure the minister that if he agrees to postpone the consideration of his estimates till the next sitting, the vote will be passed in half an hour or three quarters of an hour. However, the

questions I want to ask are very important, because they concern public interest as well as the Canadian economy.

Mr. Sauvé: Mr. Chairman, if the house agreed, the discussion might be extended for a few minutes.

[*Text*]

The Chairman: Is that agreed? The suggestion is being made that we continue in committee.

Mr. Lambert: You will have to follow the rules in order to do that.

The Chairman: Perhaps the suggestion should be made in the house rather than in committee.

Progress reported.

Mr. McIlraith: Mr. Speaker, I wonder if we could continue with the estimates for a few moments with the expectation that they would pass?

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

SUPPLY

The house in committee of supply, Mr. Lamoureux in the chair.

DEPARTMENT OF AGRICULTURE

65. Payments in respect of projects and programs under the Agricultural Rehabilitation and Development Act, and payments to provinces pursuant to agreements entered into under that act, $12,000,000.

[*Translation*]

Mr. Pigeon: Mr. Chairman, if I had not been interrupted so often a while ago, I am convinced that we would have made more progress and that the vote under consideration would have been passed.

When the Minister of Forestry was an ordinary member, he approached the Quebec authorities—and I do not criticize him for that—in order that the area of Îles-de-la-Madeleine might be included in the ARDA program, and I commend him for this initiative.

I know for a fact that the economic council for the riding of Montcalm was one of the first public bodies of the country, more especially in the province of Quebec, to make strong representations to the federal Department of Agriculture so that that area of our province might come under ARDA. However, I wonder why the provincial minister of agriculture, whose responsibilities it is to select the areas, ignored the Montcalm riding which surely deserves careful attention.

I know also that the minister is on excellent terms with the Quebec authorities, and I would like ARDA to be used so as to truly help the farm people in those regions where the act will be applied.

On the other hand, I would not like that act to be used for patronage purposes, because I hear that is being done now. As a matter of fact, according to some letters I have received, the people who do work under ARDA are carefully selected.

Consequently, and knowing that the minister is not directly responsible for the application of ARDA in the provinces, I ask him to watch very closely what is going on, so that the act may be applied fairly and in the public interest.

I wonder if, without going to any trouble, the Minister of Forestry could not ask the Quebec authorities to make a study on tourism in part of the region of Joliette-L'Assomption-Montcalm and Berthier-Maskinongé so that it may benefit from ARDA?

Mr. Sauvé: Mr. Chairman, the hon. member's proposal is contrary to the agreements we have signed not only with the province of Quebec but with the other provinces of Canada. Initiatives must come from the province itself and I suggest to my hon. friend to ask the regional authorities concerned to write the Quebec minister of agriculture to submit their project.

The act forbids me to interfere in that field and even if I wanted to oblige, I could not do so, because I would not want to interfere in fields which come strictly under the provincial government.

Mr. Pigeon: Mr. Chairman, I thank the minister for his co-operation.

[*Text*]

Mr. Peters: I had not intended to intervene because I think there has been a great deal of discussion on the agriculture estimates, but this item warrants some comment. The discussion which has just taken place is an indication of where the problem lies. The ARDA program has been talked about as a major, long term solution to most of the depressed agricultural communities but we are now seeing, and this has become more clear since the Liberals took office, that ARDA is to be provincial in scope and if a province does not want to make a request for a particular project then the federal government can do nothing about it. This is not what

we originally agreed to on the ARDA program.

We originally agreed that the program would be administered by the provinces, but if we find that the provinces fail to take advantage of it then we shall have to do something ourselves. Let me tell you, Mr. Chairman, the patronage machine in the province of Ontario is much more raw than the one in Quebec, where it is an accepted thing. We in Ontario are finding patronage is a very vile and distasteful thing, but it is being used to a great extent in the ARDA program. We are seeing patronage in Ontario today never seen in that province before, and probably only duplicated by some of the western agricultural programs undertaken many years ago.

When the minister made his statement he was very fair in saying he hoped this program would have a long term application, and I know he is not responsible for all of the abuses that take place. I am also aware of the arrangements that have to be made because of the jurisdiction of the provinces; but let us not tell the farmer we are going to solve all his problems with ARDA if we are not prepared to interfere with some of the little bourgeoisie arrangements made in some of the townships, areas and ridings.

What the hon. member for Joliette-L'Assomption-Montcalm was really saying was, "Please, Mr. Minister, because I have spoken about this don't hold it against me, or at least give my people an opportunity to have something under ARDA." I do not agree with that. If we cannot get a fair and reasonable program applicable all across the nation without a member of parliament having to get up and beg, then we do not want it as a solution.

Farmers are not beggars. It is not the agricultural section of our section of our nation which got itself into the predicament it is in. It is because the nation has not been able to meet the change of the times. ARDA was developed to meet this change, and surely people should not be made to beg for it in particular areas.

Without even knowing the facts I am certain, just because the minister is who he is, that is not why a program was carried out in a particular county in Quebec; but I feel the provinces themselves are using ARDA for their own ends and not for the ends upon which we as a national government decided.

I agree with what the minister said, that what we want to do is pick out all the areas where income is very low and where a transition out of agriculture is probably the solution. He mentioned the fact that some of this would be into the tourist industry, some into the forest industry and some into other fields of agriculture where redevelopment would be taking place. I say we have to begin this with a survey. We have to assess the needs. We have to apply the money to the areas that need it most, and not decide because of the political advantage of using it in certain areas.

The provinces will always use ARDA for their own ends because it is a handout, and for this reason I urge that the federal government stay very strongly in this field. Instead of waiting for proposals from the provinces the federal government will have to point out which proposals will be acceptable to it and get the provinces to make formal request for them.

According to the minister's own words he is going to carry on ARDA in the direction which the former minister who introduced it had in mind, namely in the direction of being a long range solution for depressed agricultural communities. But this cannot be done if we are going to give in all the time to the whims and wishes of the various provincial governments. We shall have to assess the over-all agricultural potential of Canada and the federal government will have to give the leadership in this field. If we have not got the power to do this now, then let us make an arrangement with the provinces whereby we can get that power.

In the province of Quebec they did not have a trans-Canada highway. It was not our fault in the rest of Canada; it was their fault. They did not take advantage of the provisions which had been made. We at least supplied a program of a type they could have taken part in. I suggest we do this with regard to ARDA. We should make proposals which will apply to all the provinces, to all the depressed agricultural areas, and if the provinces want to take advantage of them there should be no discrimination used in selecting the riding in which work is being done—that is, on political ground. Anything less will not be acceptable to the agricultural community of Canada.

I think the minister will make a great contribution—and certainly the minister who preceded him did not make this sort of contribution—if he would give real leadership in this field of ARDA, designed to relieve depressed agricultural areas. I believe ARDA can provide a solution to many of the problems faced by our agricultural community

When you find people earning an income of only $600 or $700 a year, then obviously the process being followed is not the correct one for that area.

I hope that the minister when he speaks on this subject will be prepared to tell us what he is ready to offer to the provinces under this plan and what leadership he intends to give. I say this because I am getting damned tired of waiting for the provinces to give a lead in this direction. What they have done so far does not, in my opinion, come anywhere near to meeting the need which ARDA was designed to satisfy.

Mr. Pugh: The hon. member who has just resumed his seat has cast a lot of doubt on what is actually happening in connection with this program. I do not agree with him, I must say.

Could the minister tell us whether within the last six, eight or ten months liaison has been taking place with the various ministers of agriculture in other provinces with regard to ARDA. Perhaps at the same time he could tell us whether he feels ARDA is working. Perhaps he would indicate, too, whether it is not working on the highest political level, as suggested by the previous speaker. I have cause to believe that in my own province it is working, and I would not like to think the situation was different elsewhere in Canada. Perhaps the minister could set at rest whatever fears some may have.

Mr. Sauvé: I am pleased to inform the committee that I have tried to give the leadership for which the hon. member for Timiskaming asked. I was made responsible for ARDA on March 5 and between March 17 and May 30 I visited every one of the ten provinces. I have had discussions with the ministers and civil servants responsible for ARDA in each province. We have exchanged views and we are now preparing our submissions for a conference which I hope to be able to call at the end of August or early in September with a view to redefining, in a way, the scope of the program and the methods of its implementation.

In the last four or five months there has been a tremendous increase in the number of projects submitted by the provinces and, as the law stands now, the initiative in terms of projects has to come from the provinces. This is not the result of any recent change. It was the law when this legislation was passed by parliament. This is a joint federal-provincial program and I have no authority to change it in this respect. It is working well, generally speaking, and there is great interest in the provinces about ARDA. However, this is still a very new concept. Originally it was thought of as being strictly an agricultural program, but it was found that you could not solve the problems of the rural areas by taking only an agricultural approach. It had to be extended to forestry, mining, fishing, tourism and so on. There has been over the years an extension of the program. This is in line with the provisions of the original law passed in 1961. It is true there have been problems of adjustment and administration. I might point out that the federal government has nothing to do with the administration at the provincial level. If here and there there are political considerations affecting decisions, as the hon. member suggested, it is not our responsibility. We have nothing to do with it, and I would be the first to regret it. If there were anything I could do to help in any such cases I would certainly bring them to the attention of the responsible minister. I am sure the ministers responsible are probably not aware of them and that they would be the first to take steps to correct such situations.

There has been great interest in ARDA in the last few months. As a result of the visits made to the provinces and with the passage of time, the provinces are getting to know how to work with this new plan. Nobody is to blame for what has happened in the past. It has taken time for an understanding of ARDA to develop in all the provinces.

Mr. Pugh: I gather from the minister's statement that he is satisfied generally with the way things are going. He mentioned the calling of a conference. Does he feel any important changes will be made? He says he believes a redefinition of the aims and objects of ARDA is needed. Does he believe these changes will depart to any great extent from the original concept?

Mr. Sauvé: I have stated in the house many times in answer to questions that the agreements between the provinces and the federal government come to an end on March 31, 1965, and with a view to re-negotiating these agreements we shall call a meeting of the provinces with the federal government. The provinces have already proposed many changes and we also have many changes to propose to the actual agreements. We do not know if the changes we wish to propose will necessitate amendments to the actual law. We are working on this now. But we are

hoping that there will be no need for amendments to the law. We hope to be able to bring about these changes—there will probably be 15 or 20 important ones—by changes in the agreements only, and these we are preparing now, here in Ottawa.

We are satisfied with the law in the sense that it has done good, but there are a number of improvements which could be brought about and this will be done when we meet with the provinces at the end of August or early in September.

Mr. Kindt: There are one or two additional points I should like to bring to the attention of the minister. Perhaps through no fault of his own but through his lack of understanding of the various regions of Canada he seems to have in the back of his mind the idea of a depressed area, a backward area—the problems which are now present in Quebec—and is using this as a touchstone before embarking upon ARDA projects.

This should not be so, because we have no, or very few, such areas in western Canada. We do have a lot of virgin territory. We have the Rocky mountain area, with streams which need to be controlled by dams and other structures so as to generate energy and make it possible to bring in industry. The power of those streams could be harnessed so that industry could be brought into being. It is needs of this kind which ARDA programs in the west should explore and satisfy.

If the hon. gentleman intends to wait until we find in the west situations such as exist in certain parts of Ontario and Quebec there will never be anything done under ARDA in western Canada. I am wondering whether this attitude in the mind of the minister and of others in the government is responsible for the inactivity which has been shown under this program in western Canada.

I like some of the remarks made by the hon. member for Timiskaming and I agree with some of them wholeheartedly. I would suggest again to the minister that he take another look at the objectives to which he should be giving consideration, and that he should spread the action of this program throughout all Canada, including western Canada, and not confine it to the depressed areas.

Mr. Sauvé: If I might reply to the hon. member, I would suggest he look at the figures. Manitoba, Saskatchewan and Alberta had $17 million worth of projects approved up to April 13. So they certainly had their share. When I said earlier in my opening remarks that I felt ARDA should be concentrated mainly in low income areas, to assist low income people, I did not mean that this should be exclusively the case, but mainly, because it is in these areas that there is the greatest need. There are many other agricultural measures enacted by the federal government and the provincial governments which have a bearing on problems existing in the rural areas, but this program seems to be mainly oriented to assisting people in low income areas. It does not exclude other responsibilities that are contained in our law; but I think this is the intention behind the measure, namely to try to eliminate poverty in rural areas.

We do not have a concentration of low income people all over the country; they are mainly concentrated in eastern Canada. There are low income areas in all the provinces, but in these areas there are not as many people affected as there are in the east, in Quebec and the maritimes.

Mr. Kindt: Mr. Chairman, did the minister read that section of ARDA, which deals with rural development, industrialization, and so on? If he had, and had considered the interpretation of what is contained therein, he would not have made the statements he has just made; he would have a broader concept of the functions of ARDA.

Mr. Nielsen: Mr. Chairman, I was interested in listening to the minister say he had visited all the ten provinces in order to discuss with them problems connected with ARDA. I am sure the minister is—and if he is not, he should be—aware of the agricultural and resource potential of all kinds above the 60th parallel in the Yukon and the Northwest Territories, with all sorts of timber resources and livestock potential in the agricultural field there, and feed grain possibilities. There is also this potential in the Mackenzie. The very fact that experimental farms have been established in both these areas in itself indicates the agricultural potential of the two areas concerned. I am not confining my remarks to the agricultural potential only, but also to the general resource potential that exists in this part of the country.

I wonder whether the minister is going to display any initiative and visit the rest of Canada apart from the ten provinces he said he has visited, and is going to take a journey north to see for himself how ARDA can be applied in this vast area of Canada which has

very great potential indeed which in the ultimate will result, if proper development policies are adopted to the lasting benefit of all Canadians. It is their land; they are their resources; and it is an area which is deserving of the very concentrated attention of not only the minister responsible for ARDA but of all ministers having a direct responsibility in resource development in the north, where they do not have that responsibility in the provinces. I wonder if the minister could just for a moment explain how he intends to apply ARDA in the north, what his plans are for a possible visit there, and the like.

Mr. Sauvé: I shall be pleased to visit the Yukon and Northwest Territories, Mr. Chairman.

Item agreed to.

Mr. Hays: Mr. Chairman, I think I would be remiss in my duty if I did not thank hon. members for the consideration they have given the agriculture estimates and ARDA. We do appreciate their interest and approval.

Some hon. Members: Hear, hear.

Resolutions adopted in committee of supply this day reported and concurred in.

The Acting Speaker (Mr. Batten): Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills and private bills.

GENOCIDE

PROVISION OF PENALTIES UNDER UNITED NATIONS CONVENTION

Mr. M. L. Klein (Cartier) moved the second reading of Bill No. C-21, respecting genocide.

He said: Mr. Speaker, I wonder if I could have the consent of the house to continuing the debate on this bill after six o'clock if necessary, in view of the fact that half an hour of the time allotted to private members' business has gone?

Some hon. Members: Agreed.

Mr. Churchill: Mr. Speaker, what we did on one other occasion was let the bill hold its position on the order paper.

The Acting Speaker (Mr. Batten): I wonder if the hon. member for Cartier (Mr. Klein) would explain again the request he is making.

Mr. Klein: I am content, Mr. Speaker, that the bill hold its position on the order paper.

[Mr. Nielsen.]

The Acting Speaker (Mr. Batten): We can decide that matter at six o'clock.

Mr. Klein: Mr. Speaker, this bill, as the explanatory note suggests, is presented in view of Canada's commitment under the United Nations convention on the crime of genocide. This convention was tabled in the House of Commons on March 2, 1950, and in the Senate on March 14 of the same year. It was approved by resolution of the house on March 21, 1952, and by resolution of the Senate on March 27 of the same year. The instrument of ratification was deposited with the United Nations on September 3, 1952, and the convention came into force on December 2 of the same year. This convention binds the contracting states to pass the necessary legislation to give effect to its provisions, especially to provide effective penalties. The intention of this bill, among other things, is to discharge Canada's obligations to the United Nations. Genocide is defined in the bill as follows:

> Every one who, with intent to destroy, in whole or in part, a national, ethnic, racial or religious group as such, kills a member of the group, is guilty of an indictable offence and shall be sentenced to death for genocide.

The second clause of the bill deals with incitement to genocide; the third clause deals with group libel. It may be said that the present laws with respect to genocide—I am not now dealing with the question of group libel—are adequate; in other words, there is a section of the Criminal Code dealing with capital punishment. I submit that the present provisions do not fully encompass what is intended by the crime of genocide. First of all, and aside from the moral effect of Canada subscribing to a law under the United Nations convention, there is a possibility—and I for one would support the proposition—that eventually our society will reach that plateau of civilization where it will abolish capital punishment. However, there are sections of the Criminal Code prescribing capital punishment which will not be abolished for such crimes as treason, and should not be abolished, because of the enormity of the crime, for the crime of genocide. So that if genocide were to be declared an offence under our law and capital punishment abolished in the future, it would still be retained for the crime of genocide.

With regard to treason, section 46(1)(a) of the Criminal Code says:

> Everyone commits treason who in Canada (a) kills or attempts to kill Her Majesty, or does her

any bodily harm tending to death or destruction, maims or wounds her, or imprisons or restrains her—

Here is a section in the Criminal Code which makes a provision with respect to capital punishment which is otherwise provided for in the Criminal Code, and it is this sort of thing which this bill envisages in making genocide a capital offence in spite of the provisions of capital murder.

I should also like to put on record a resolution adopted by the United Nations general assembly on November 21, 1963, which I believe was one day prior to the assassination of President Kennedy. Article 9, paragraph 1 of this resolution, to which Canada subscribed, says:

All propaganda and organizations based on ideas or theories of superiority of one race or group of persons of one colour or ethnic origin with a view to justifying or promoting racial discrimination in any form shall be severely condemned.

Paragraph 2 says:

All incitement to or acts of violence, whether by individuals or organizations, against any race or group of persons of another colour or ethnic origin shall be considered an offence against society and punishable under law.

In order to put into effect the purposes and principles of the present declaration, all states shall take immediate and positive measures, including legislative and other measures, to prosecute and/or outlaw organizations which promote or incite to racial discrimination, or incite to or use violence for purposes of discrimination based on race, colour or ethnic origin.

Clause 3 of this bill provides for a group libel law. I inserted that provision in the bill because I maintain that group libel is the seed of genocide. Genocide can only be committed by a government; it cannot be committed by individuals. The only way a government can come into power to a point where it could commit genocide is by the systematic use of propaganda to defame and libel minority groups, as we have seen.

The libel under our law of an individual, which is provided for by definition in section 248 of the Criminal Code states that:

A defamatory libel is matter published, without lawful justification or excuse, that is likely to injure the reputation of any person by exposing him to hatred, contempt or ridicule, or that is designed to insult the person of or concerning whom it is published.

One of the defences against defamatory libel of an individual is provided for in section 261 of the Criminal Code, which states:

No person shall be deemed to publish a defamatory libel where he proves that the publication of the defamatory matter in the manner in which it was published was for the public benefit at the time when it was published and that the matter itself was true.

This section refers to individuals. There is no provision in the Criminal Code with respect to an attack on an ethnic, national or religious group as such. I maintain, Mr. Speaker, that you can never make a statement, an all-embracing, blanket statement, against an ethnic or religious group which is libellous and which can be true. It is impossible to make a libellous statement which can be true against an entire group of people. You might be able to do so in the case of an individual but you cannot make a true statement which is libellous against an entire group of people.

Oddly enough, while the Criminal Code does not provide for group libel it does provide for false advertisement in business. Section 306, which is the section protecting competitors in business, reads as follows:

Everyone who publishes or causes to be published an advertisement containing a statement that purports to be a statement of fact but that is untrue, deceptive or misleading or is intentionally so worded or arranged that it is deceptive or misleading, is guilty of an indictable offence and is liable to imprisonment for five years, if the advertisement is published.

(a) to promote, directly or indirectly, the sale or disposal of property or any interest therein, or

(b) to promote a business or commercial interest.

An example of that might well be this. A person who manufactures soap could not make the blanket statement that the soap manufactured by his competitors is poisonous and should not be used, because under section 306 of the Criminal Code he could be prosecuted and might well face imprisonment for five years. Yet the same individual could make any sort of blanket statement which was defamatory and libellous against a group of human beings and escape scot-free. And not only would he escape scot-free but he would actually be protected by our law. I think there is something wrong with the laws of this country when business enterprises and products of business can be protected but human rights cannot.

Now, the disseminators of hate and hate propaganda are persons who are already consumed by their hatred. They are people who are already destroyed mentally and are seeking to destroy other people. They are actually using freedom to destroy freedom. There was an interesting symposium held in the United States at the Cleveland-Marshall law school of Baldwin-Wallace college. I should like to quote some of the statements made in that symposium. One of those who

took part was Mr. Justice Clark of the supreme court of the United States. I am quoting from volume 13, No. 1, January 1964, the issue of the law review of that university. Judge Clark said:

> Group libel statutes "represent of commendable desire to reduce sinister abuses of our freedom of expression—abuses which I have had occasion to learn can tear apart a society, brutalize its dominant element and persecute even to extermination, its minorities".

Going further, the judge stated:

> Even professional defamers are, today, insulated and protected by our laws from civil liability, as long as their words or actions remain "wholesale" defamation and do not single out specific individuals or numerically small groups.

In the same issue in the summation of the symposium it is stated:

> It is obvious that the constitution of the United States and the common sense of the American people must prevent similar excesses in this country. And we feel a chill of foreboding as we think of recent riots in Alabama, culminating in the bombing of a Negro church, causing the death of several American children.
>
> True, the governor of Alabama has promised a reward for the apprehension of the culprits. But the real cause of these outrages was group defamation.

Then, I should like to read this paragraph:

> We all know, already, that if a man should enter a crowded theatre and shout "fire" he soon will find out that he has violated a criminal statute. Clearly, his freedom of speech is not absolute.
>
> If freedom of speech is not absolute, should freedom to defame large groups of fellow citizens remain absolute? We think not.

I would hope, Mr. Speaker, that the subject matter of this bill would be referred perhaps to the external affairs committee because of the commitment to the United Nations, so that this bill could be studied and the subject matter debated. Perhaps something could be evolved in this way that will protect ethnic groups. Every group in Canada is an ethnic group, even the founding races are ethnic groups. In a country such as Canada which is composed of so many different ethnic groups, surely a group libel law goes to the very essence of the unity of the country and protection against the destruction of democracy as we have seen it destroyed in Europe.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I am sure all members of this house, and in fact all people, will share in the concern and apprehension of the hon. member with regard to the evil which he seeks to cure by this bill which he brings forward. The horrors which from time to time, the civilized world has had presented to it through the medium of war trials and other means is undoubtedly a cause of great apprehension. In so far as the objective of the hon. member is concerned, I have no hesitation at all in saying that I am in fullest sympathy with him.

The thing is, however, do we by the means that he suggests actually cure this evil? Are there cures already in existence which could be applied? It is my philosophy, Mr. Speaker, that there is a tendency for governments to legislate in haste and amend at leisure. Legislating in haste is a sin of which this government could not be successfully accused, and I must put this as a condition to my remarks.

Mr. Knowles: That would be defamatory.

Mr. Baldwin: Nevertheless, let us look at the law as it now exists. The hon. member will agree that a matter of such great importance as this, involving as it does the creation of a new offence punishable as capital murder, is one of great importance. This is especially true, having in mind the distinction which this parliament made between capital murder and non-capital murder. At the time this particular amendment to the Criminal Code was considered, these differences were most carefully weighed. At that time we considered most carefully the line of distribution as to what should be and could be included in capital murder and what should be kept on the other side of the boundary and found as non-capital murder.

This is important because, in effect, the first paragraph of the hon. member's bill would be doing violence to the changes in the Criminal Code represented by these amendments which this house and the other place considered most carefully. I would think that the gravest amount of care should be exercised before this is done. Apart from that, I want to make a submission with particular regard to the last two sections, numbered 3 and 4, of the proposed bill. I am not going to read those sections, but I am going to read three or four sections of the Criminal Code and I say that within the four corners of one or the other of those sections can be found a remedy which will meet the evil at which the hon. member is aiming. Before any bill such as this is enacted, I should like to have the opinion of the Minister of Justice that a particular act which the hon. member seeks to stress by this bill cannot be combated by making adequate use of the existing provisions of the Criminal Code.

Can the Minister of Justice stand before us and say that these provisions which the hon. member seeks to make part of the statute law of this country are absolutely essential to deal with the problem he has presented, because what we have now in the Criminal Code will not meet the situation? This, I think, is a condition precedent to this house actually dealing with this bill in the sense of enacting it. I do not know whether or not the hon. member has had these discussions. I do not know what the position of the Minister of Justice is, but this I think is something which could be considered.

I should like the hon. member when he closes the debate to recite any cases where informations have been laid and the cases have been proceeded with to the stage where a judicial decision has been made by a supreme court, district court, county court or appellate court on the type of act which he envisages in connection with this legislation. I think this is important, because when we enact legislation we do so for the reason there is nothing on the statute books to provide what we require.

I know there has been a lot of discussion in the newspapers and I think it is good there has been. I think it is a good thing that the hon. member has brought this bill forward so that it may be used as a catalyst to obtain some clarification of the ambiguity and obscurity which have surrounded this particular situation.

However, having said that I should like to refer very briefly to the third and fourth clauses of the bill, particularly the third clause. I am going to recite several sections of the Criminal Code because I wish to submit that under the circumstances of an offence being committed one cannot discount the possibility that it might be met by these sections of the Criminal Code. One of them is section 153, which might be termed a corollary because it does not go to the root of the matter. It reads as follows:

> Everyone commits an offence who makes use of the mails for the purpose of transmitting or delivering anything that is obscene, indecent, immoral or scurrilous—

It is the word "scurrilous" that I have in mind.

> —but this section does not apply to a person who makes use of the mails for the purpose of transmitting or delivering—

And so on. This is an ancillary means of carrying into effect what the hon. gentleman aims to prevent, and I think this is one section which might be used under the circumstances. Section 165 reads as follows:

> Everyone who commits a common nuisance and thereby...(a) endangers the lives, safety, health, property or comfort of the public—

I will concede this is a little remote but I can conceive of situations where this particular section could be used and convictions could be secured under certain circumstances such as the hon. member has in mind. Section 166 reads as follows:

> Everyone who wilfully publishes a statement, tale or news that he knows is false and that causes or is likely to cause injury or mischief to a public interest—

"Public interest" is not defined, but I can conceive of a number of circumstances where a reasonable and apt interpretation of the words "public interest" would cover some of the situations which the hon. member has in mind. I also wish to refer to section 248 which deals with defamatory libel and reads as follows:

> A defamatory libel is matter published, without lawful justification or excuse, that is likely to injure the reputation or any person by exposing him to hatred, contempt or ridicule—

The hon. member quite properly pointed his finger at the word "person" and said that, the word "person" having been used in the Criminal Code, this automatically excludes actions which are directed against a class. At first blush I think that is a very sound argument, but I would refer the hon. member, who is from the province of Quebec, to a Quebec case. I do not have the case itself here, but it is referred to in The Canadian Abridgement, volume 13, and in column 436 I read these words:

> ...a charge of publishing a defamatory libel against the Roman Catholic clergy of a particular diocese does not disclose an offence. Section 317—

Which is now section 248.

> —specifically refers to a "person" and the definition of "person" in section 2 (13) is not sufficiently wide to include an unincorporated group—

The case goes on to use these words:

> Although an indictment will lie at common law for libelling a class generally—

An indictment will lie at common law, and the common law is in effect in this country to the extent to which it has not been abrogated, altered or changed by our statute law.

> —the indictment in such case must allege (and the crown must prove) that the tendency of the libel was to excite hatred against all members of the class and to provoke a breach of the peace.

I would submit that those words meet squarely the problem which the bill aims to deal with. Finally, there is one more case I should like to refer members of the house to, a decision of that great old jurist, the late chief justice Harvey of the province of Alberta. In this case, which appears in column 140 of the same volume of The Canadian Abridgement, I find these words of the chief justice:

In Russell on Crimes it is stated that:

I am not going to take the time and trouble to read the definitions of sedition, seditious libel and so on because they have already been the subject of discussion in the house and the hon. member will know the precise wording.

—"Sedition consists in acts, words or writings intended or calculated under the circumstances of the time to disturb the tranquillity of the state by creating ill will, discontent, disafection, hatred or contempt towards the person of the kin, or toward the constitution or parliament"—

I think the words "or parliament" are words which some members of the public might well take note of at the present time.

—"or the government, or the established institutions of the country, or by exciting ill will between different classes of the king's subjects—

It is my submission that where there is a vacuum the common law applies. Wherever we have passed statutory enactments and occupied a vacuum, then the common law does not apply.

Mr. Greene: Will the hon. member permit a question?

Mr. Baldwin: I am just about finished and I will be quite glad to answer a question then. I end up with the conclusion that if what I have said does not entirely prove my case it should at least raise such grave doubts as to the necessity of creating a new section of this kind that before the house deals with the matter it should take a very close look at it and we should have the benefit of the opinion of the Minister of Justice.

The Acting Speaker (Mr. Batten): Order. Before the hon. member for Cartier began his remarks on second reading he requested that the house consent to having this bill retain its place on the order paper. Is it the wish of the house now to give that consent?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Batten): In order to avoid any misunderstanding at that time, is it understood that the bill will be debated for the full hour on the next day it is called?

[Mr. Baldwin.]

Some hon. Members: Agreed.

Mr. Knowles: If necessary.

The Acting Speaker (Mr. Batten): The hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I should like to ask about the business for next week.

Mr. McIlraith: Mr. Speaker, I can give the business for Monday. We propose first to call third reading of the appropriation bill which was before the house earlier today, then to continue the debate on the resolution respecting the fiscal arrangements revision act, then to take the debate on the resolution respecting student loans, and then to call interim supply. I think I should add that should there be a wish on the part of the house to go further than the resolution stage with either of the two pieces of legislation to which I have referred and to discuss the bills, that would be agreeable in either case.

Mr. Churchill: I wonder whether I might suggest to the acting house leader that instead of calling interim supply next week, which is very early in the month, could we not have two days on main estimates so that we will get some of them covered this year?

Mr. McIlraith: I would be reluctant at this moment to say anything that would interfere with the order of business indicated to the house by the house leader some days ago, but I will pass the hon. member's remarks on to the house leader for consideration.

Mr. Knowles: May I ask the acting house leader a question which relates to the resolution preceding the bill regarding student loans? I gather from what he said that the resolution will be on the order paper on Monday. I speak subject to correction, but I believe we had an understanding that we would let that resolution go through without debate and have the debate on the bill itself.

Mr. Churchill: That is right.

Mr. Knowles: I think I hear the hon. member for Winnipeg South Centre say that is right. It would be a good idea to call that resolution either first or second on Monday so that the bill could be given first reading and printed, and so that we would have a chance to examine it.

Mr. McIlraith: That is a good suggestion. I am not aware that agreement had been made

but, if it has, the resolution could be called either as the first or second item of business on Monday.

Mr. Knowles: I may say that arrangement was made for today, but of course the resolution was not on the order paper for today.

Mr. McIlraith: I understand the resolution has gone forward this afternoon and should be on the order paper tomorrow morning. I will make sure that that is so and try to have the bill distributed in this way so that it will be available for hon. members to examine it before the subject matter is debated.

At six o'clock the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply this day:]

DEPARTMENT OF NATIONAL DEFENCE

Pensions and other benefits—

56a. To authorize the governor in council to prescribe the circumstances under which a contributor who, having served in the forces for ten on more years, is compulsorily retired from the forces before reaching retirement age during the period commencing on the 7th day of May, 1964, and ending two years thereafter, due to a reduction in the total number of members of the forces, shall be deemed, for the purposes of subsection (3) of section 10 of the Canadian Forces Superannuation Act, to have served in the forces for twenty or more years, $1.

DEPARTMENT OF FINANCE

Loans, investments and advances—

L17a. To provide for and authorize the purchase out of United States dollars paid to Canada, pursuant to the treaty between Canada and the United States of America relating to co-operative development of the water resources of the Columbia river basin, together with any protocol or exchange of notes relating thereto, of such obligations of the government of the United States as may be approved by the governor in council, and the subsequent disposition of such obligations; the amount which may be expended for such purchase not to exceed $254,400,000 U.S. notwithstanding that this amount may exceed or fall short of the equivalent in Canadian dollars, estimated as of May, 1964, which is, $275,149,500.

DEPARTMENT OF AGRICULTURE

Research—

5. Administration, operation and maintenance including Canada's fee for membership in the international society for horticultural science, an amount of $145,000 for grants in aid of agricultural research in universities and other scientific organizations in Canada and the costs of publishing departmental research papers as supplements to the "Canadian Entomologist", $24,609,400.

10. Construction or acquisition of buildings, works, land and equipment, $4,735,000.

Production and marketing—

Administration—

15. Administration, operation and maintenance including the administration of the Agricultural Stabilization Act, and contributions to agricultural organizations to assist in the marketing of agricultural products subject to the approval of treasury board, $2,190,400.

17a. Subsidies for cold storage warehouses under the Cold Storage Act, $50,000.

Animal and animal products—

20. Administration, operation and maintenance including Canada's fee for membership in the international dairy federation, $6,218,300.

25. Grants, contributions and subsidies in the amounts and subject to the terms specified in the sub-vote titles listed in the details of estimates, $10,527,400.

25a. Grants, contributions and subsidies in the amounts and subject to the terms specified in the sub-vote titles listed in the details of estimates, $387,177.

Plant and plant products $387,177.

30. Administration, operation and maintenance, $5,486,400.

35. Grants, contributions and subsidies as detailed in the estimates, $20,275,800.

35a. Grants, contributions and subsidies as detailed in the estimates, $3,200.

Health of animals—

40. Administration, operation and maintenance including Canada's fee for membership in the office international des epizooties, and authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from packers requiring special services, $11,954,900.

45. Grants, contributions and subsidies as detailed in the estimates, $1,465,000.

Board of grain commissioners—

50. Administration, operation and maintenance including authority to purchase screenings, $6,759,700.

Land rehabilitation, irrigation and water storage projects—

Irrigation and water storage projects in the western provinces including the south Saskatchewan river project, the Prairie Farm Rehabilitation Act program, land protection, reclamation and development, the Maritime Marshland Rehabilitation Act program and the Agricultural Rehabilitation and Development Act program—

55. Administration, operation and maintenance, $9,317,600.

60. Construction or acquisition of buildings, works, land and equipment, $21,146,000.

65. Payment in respect of projects and programs under the Agricultural Rehabilitation and Development Act, and payments to provinces pursuant to agreements entered into under the act, $12,000,000.

Administration—

1a. Departmental administration, $53,000.

HOUSE OF COMMONS

Monday, July 13, 1964

The house met at 2 p.m.

PRIVILEGE

MR. CASHIN—ARTICLE BY MEMBER FOR PORT ARTHUR IN TORONTO "TELEGRAM"

Mr. Richard Cashin (St. John's West): Mr. Speaker, my question of privilege is as follows. Does the publication of an article in the July 11 edition of the Toronto *Telegram* constitute a breaking or crossing of picket lines, in view of the fact that this paper is now being picketed; and does this now mean that the hon. member for Port Arthur (Mr. Fisher) has dissociated himself from the Canadian Labour Congress?

HEALTH AND WELFARE

TABLING OF PROVINCIAL REPLIES RESPECTING CONFERENCE ON ROYAL COMMISSION REPORT

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I wish to table copies of the letters that have been received from five provincial premiers, the premiers of Manitoba, Alberta, British Columbia, Nova Scotia and Quebec, as requested the other day by the hon. member for Winnipeg North Centre. I have taken the liberty of sending copies to the right hon. gentleman and to the other leaders for their convenience.

JUDGES ACT

PROVISION FOR SALARIES FOR ADDITIONAL JUDGES

Hon. J. Watson MacNaught (for the Minister of Justice) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Judges Act to authorize the provision of salaries for seven additional judges as follows:

(a) three judges of the superior court of Quebec;

(b) one justice of appeal of the supreme court of Alberta;

(c) two Ontario county court judges; and

(d) one British Columbia county court judge.

Motion agreed to.

NATIONAL PARKS ACT

PROVISION FOR ADDITIONS AND WITHDRAWALS, ETC.

Hon. J. Watson MacNaught (for the Minister of Northern Affairs and National Resources) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the National Parks Act to authorize the governor in council to add from time to time crown owned lands to existing national parks; to provide new legal descriptions for certain national parks and in the case of Waterton Lakes and Prince Albert national parks to provide for the withdrawal of small tracts of land no longer required for park purposes; to provide for certain additions to Mount Revelstoke park, to Riding Mountain park and to Georgian Bay Islands park; to provide also that the governor in council may set aside as a national park of Canada, lands in the area of Kejimkujik lake in the province of Nova Scotia and the conditions therefor; and further to make certain changes in connection with the administration of the act.

Motion agreed to.

EDUCATION

MEASURE TO FACILITATE MAKING OF LOANS TO STUDENTS

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee forthwith to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to facilitate the making of loans to students at a post-secondary school level by providing for payment out of the consolidated revenue fund, to a bank making such a loan, of interest thereon accruing while the borrower continues to be a student and for a period of six months thereafter and by guaranteeing payment of the principal amount of the loan and of interest thereon accruing after the expiration of that period; to provide for the authorization of loans in any province by a provincial authority designated for that purpose and for the making of compensatory payments out of the consolidated revenue fund to any province having its own plan of student loans, that does not designate a provincial authority for the purpose of authorizing loans in that province under the said measure; and to provide further for the payment out of the consolidated revenue fund of certain costs of administration and for other related or incidental matters.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

The Chairman: Order. The house in committee of the whole on a certain proposed resolution concerning loans to students. Shall the resolution carry?

Mr. Douglas: Mr. Chairman, there was agreement that we would not debate this resolution, but I thought the minister would probably make a statement on it. Does he prefer to make it on second reading of the bill, Mr. Chairman?

Mr. Gordon: I would sooner make the statement on second reading, Mr. Chairman.

Mr. Diefenbaker: Mr. Chairman, this is another example of further co-operation. I must say that since the Secretary of State for External Affairs has been Acting Prime Minister, as a result of his attitude there has been a remarkable improvement in reactions generally.

[*Translation*]

Mr. Grégoire: Mr. Chairman, we agree to let the resolution pass without debate. However, we want it to be known that it is passed on division, since we are opposed to this federal intrusion into a field under provincial jurisdiction and we shall make our comments on second reading, when the bill is available.

[*Text*]

The Chairman: Shall the resolution carry on division?

Some hon. Members: Carried.

Resolution reported on division and concurred in.

Mr. Gordon thereupon moved for leave to introduce Bill No. C-110, to facilitate the making of loans to students.

Motion agreed to and bill read the first time.

FARM IMPROVEMENT LOANS ACT

INVESTMENTS INCREASING MAXIMUM AMOUNT OF LOAN, AGGREGATE PRINCIPAL AMOUNTS, ETC.

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Farm Improvement Loans Act to increase from $7,500 to $15,000 the maximum amount of any loan that may be made under the act to a borrower together with any amount owing in respect of other guaranteed farm improvement loans, to increase from $400 million to $500 million the aggregate principal amount of guaranteed loans that may be made in the three year loan period ending June 30, 1965, to provide for a further three year loan period ending June 30, 1968, and to provide that the aggregate principal amount of guaranteed loans that may be made in that period shall not exceed $700 million.

[Mr. Gordon.]

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

JUSTICE DEPARTMENT LAWYERS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 1,145—**Mr. Latulippe:**

1. How many lawyers in the constituency of Compton-Frontenac, have worked for or represented the Department of Justice since April 22, 1963?

2. Who are these lawyers, what work did they do in each case, and what fees were paid to them?

Mr. Macdonald: 1. Two.

2. J. A. Drouin, Q.C., two prosecutions under the Excise Tax Act, $66.

Lacourciere & Lacourciere, two prosecutions under the Income Tax Act and two prosecutions under the Excise Tax Act, $95.

JUSTICE DEPARTMENT MOTOR VEHICLE PURCHASES, QUEBEC

Question No. 1,147 (Additional)—**Mr. Latulippe:**

1. How many vehicles did the Department of Justice buy in the constituencies of Compton-Frontenac, Beauce, Mégantic, and Sherbrooke in 1961-62-63?

2. Were these purchases made following public tender calls?

3. Who tendered in each case, and what was the amount of the tender?

4. Which tenders were accepted?

5. Are maintenance, repairs and gasoline and oil for these cars obtained through tender?

6. Who is in charge of these activities, and what amounts were spent in 1961-62-63?

Answer: (Supplementary) The answer to this question, insofar as it relates to the Royal Canadian Mounted Police, is as follows:

1961: Compton-Frontenac, 1; Beauce, none; Mégantic, none; Sherbrooke, 2.

1962: Compton-Frontenac, none; Beauce 1; Mégantic, none; Sherbrooke, 1.

1963: Compton-Frontenac, none; Beauce, none; Mégantic, none; Sherbrooke, none.

2. No.

3. 1961: Compton-Frontenac, F. R. Dallaire Inc., $1,557.40; Mégantic Auto Parts Inc., $1,564.58; Mégantic Auto Parts Inc., $1,583.46; Roy Automobiles Inc., $1,814.29.

Questions

Sherbrooke, De Luxe Automobiles Ltee, $1,575; Martin Motor Sales Ltd., $1,580.73; Cyr Automobiles Ltee, $2,108.70.

Sherbrooke, Martin Motor Sales Ltd., $2,061.92; Cyr Automobiles Ltee, $2,158.70; De Luxe Automobiles Ltee, $2,200.

1962; Beauce, Cliche Auto St-Georges Inc., $1,396.01; Fernando Veilleux, $1,407.65; Garage National Inc., $1,623.60.

Sherbrooke, Cyr Automobiles Ltd., $2,206; Martin Motor Sales Ltd., $2,368.45; De Luxe Automobiles Ltee, $2,450.62.

4. The lowest tender in each case.

5. No.

6. Chief purchasing agent, Royal Canadian Mounted Police headquarters, Ottawa.

Acquisition of motor vehicles

Constituency	Year 1961	1962	1963
Compton-Frontenac	$1,557.40	Nil	Nil
Beauce	Nil	$1,396.01	Nil
Mégantic	Nil	Nil	Nil
Sherbrooke	$3,636.92	$2,206.00	Nil

Maintenance of motor transport

Constituency	Year 1961	1962	1963
Compton-Frontenac	$1,106.10	$ 883.79	$1,401.75
Beauce	$1,004.96	642.95	955.79
Mégantic	Nil	Nil	Nil
Sherbrooke	$2,689.48	$2,692.45	$2,751.38

ST. VINCENT DE PAUL PENITENTIARY RIOT

Question No. 1,167—**Mr. Latulippe:**

1. How much did the 1962 riot at St. Vincent de Paul cost the government and for what purposes was money spent?

2. How many inmates were transferred as a result of the riot?

3. What new security measures were taken as a result of the riot?

4. What new working conditions, recreational and vocational training facilities have been established?

5. How many guards have been dismissed or transferred to other positions as a result of the riot?

6. Did the municipality where the prison is located ask the government for special measures as a result of the riot?

Mr. Macdonald: 1. The 1962 riot at St. Vincent de Paul cost the government the sum of $2,357,043 spent for the following purposes:

(a) Direct costs		
Demolition and construction	$989,185	
Replacement of:		
Equipment	117,954	
Materials	70,501	
Industrial revolving fund materials	51,140	
Canteen revolving fund materials	5,077	
Replacing officers' personal losses	280	
Legal fees	13,659	
Special office services	351	
Payments to neighbouring municipalities for use of firefighting equipment	54,949	
Ambulance services	824	
Medical services, injured inmates	16,784	$1,320,704

Questions

(b) Indirect costs (consisting of new facilities and services designed to improve the institution's standard to an acceptable level and whose need was accentuated by the riot and fire)

New facilities	606,715	
New services	429,624	1,036,339
*Grand total		$2,357,043

*Includes $643,000 submitted for construction in 1964-65.

2. One hundred and ninety one inmates were transferred as a result of the riot.

3. The new security measures taken as a result of the riot are as follows: (a) The construction of chain link fences to enclose outdoor exercise areas; (b) The construction of a cement block wall to enclose the segregation area; (c) The construction of chain link divisions on all elevated cell walkways; (d) The construction and manning of an additional watch tower; (e) The relocation of one watch tower; (f) The construction and manning of two additional watch cages in cell blocks No. 1 and 2; (g) The relocation and enlargement of the watch cage in the central dome; (h) The employment of 25 additional custodial officers; (i) The implementation of a refresher training program for all personnel with emphasis on discipline and security; (j) The reorganization and intensification of the custodial staff recruits training program; (k) The institutional staff has been reorganized in five sections, each of these sections placed under the supervision of senior keepers in charge of a sector of the penitentiary.

4. (a) Seven industrial shops have been reconstructed; (b) Sports and games have been reorganized in two different exercise areas; (c) The school has been rebuilt and a preemployment training shop has been added.

5. As a result of the report of the board of enquiry, there was not sufficient evidence justifying the dismissal of personnel. However, approximately ten custodial officers involved have resigned from the service after they had been made aware that their services were not satisfactory or that they did not possess the personal characteristics required for the efficient performance of their duties.

6. No request for special measures as a result of the riot was received from the municipality of St. Vincent de Paul, province of Quebec, where the penitentiary is located.

[Mr. Macdonald.]

RACIAL DISCRIMINATION IN UNIVERSITIES

Question No. 1,176—**Mr. Latulippe:**

1. Has the Minister of Justice received any representations to the effect that some Canadian universities directly or indirectly encourage racial discrimination?

2. Is the Department of Justice studying the possibility of requiring universities receiving federal assistance or loans to ensure that no student will be discriminated against in obtaining accommodation near universities?

Mr. Macdonald: 1. No.

2. This is not a matter coming under the Department of Justice.

JUSTICE DEPARTMENT EMPLOYEES, COMPTON-FRONTENAC CONSTITUENCY

Question No. 1,189—**Mr. Latulippe:**

What are the names of all those working for the Department of Justice in Compton-Frontenac and, (a) how long has each worked for the department (b) what fees have been paid to each since June 18, 1962?

Mr. Macdonald:

	(a)	(b)
J. A. Drouin, Q.C.	May 6, 1963	$66
Lacourciere & Lacourciere	July 15, 1963	$95
Thomas W. Leonard	Oct. 9, 1963	$107
Paul Veilleux	March 1964	work not completed

R.C.M.P. TENDERS FOR VESSEL, JOLIETTE-L'ASSOMPTION-MONTCALM CONSTITUENCY

Question No. 1,248—**Mr. Pigeon:**

1. Did the Royal Canadian Mounted Police call for tenders in the constituency of Joliette-L'Assomption-Montcalm for the purchase of a vessel and, if so, what are the names of the persons or firms who were invited to submit tenders?

2. What prices were submitted by the tenderers?

3. Does the government intend to accept the lowest tender?

Questions

Mr. Favreau: 1. Yes, from the following firms: A. Blais & Fils Enrg., Joliette, Quebec; Normand Roy, Joliette, Quebec; Roger Goulet, Joliette, Quebec.

In addition, tenders were called for from the following firm: Traveller Mfg. Co., Peterborough, Ontario.

2. A. Blais & Fils Enrg., $750; Normand Roy, $866; Roger Goulet, $934.58; Traveller Mfg. Co., $727.

3. The lowest tender has been accepted.

POST OFFICE DEPARTMENT

Question No. 1,261—**Mr. Douglas:**

1. What was the number of post office administrative personnel of all classes on January 1, 1959?

2. (a) What was the total staff in methods and standards personnel on January 1, 1959 (b) how is this staff broken down by classification and grade?

3. What was the number of operating staff in the post office on January 1, 1959 (a) full time (b) part time (c) casual?

4. What is the number of administrative staff today?

5. What is the number of non-operational staff today (a) full time (b) part time (c) casual?

6. What is the number of operating staff today (a) full time (b) part time (c) casual?

7. How many part time and casual employees are there today receiving the hourly rate of (a) $1.75 (b) $1.72 (c) $1.57 (d) $1.43 (e) $1.58 (f) $1.55 (g) $1.40 (h) $1.13?

8. What was the mail volume for the year 1958-59 (a) first class (b) second class (c) third class (d) fourth class?

Mr. Nicholson: The following answers include only the postal employees paid out of parliamentary appropriation, that is, headquarters, 14 district offices and 350 staff post offices. The answers exclude employees in semi-staff and revenue post offices, who are paid out of postal revenue.

The word "administrative" is interpreted as applicable to headquarters and the district offices, but excluding the railway mail clerks. Although there are classes in the larger post offices which might be regarded as administrative, it is difficult to draw a clear line and therefore all employees in staff post offices are treated in these answers as operational.

1 and 4.

	January 1, 1959	March 31, 1964
Headquarters	1,041	932
District offices	739	856
Total	1,780	1,788

2. (a) 25; (b) 1, postal superintendent; 2, technical officers 5; 8, technical officers 4; 14, technical officers 3.

3 and 6. "Operating staff" is interpreted to refer to all employees in staff post offices plus the railway mail clerks.

	January 1, 1959	March 31, 1964
(a) Full time	20,630	23,392
(b) Part time	2,440	2,825
(c) Casual, see note following part 7.		

5. In the post office department "non-operational" is considered synonymous with "administrative" and is covered in the answer to parts 1 and 4. The number of part timers and casuals in this group is negligible.

7. Regular part timers as at March 31, 1964:

Classification	Number	Wage Rates
Letter carrier	175	$1.75 per hour
Postal chauffeur	8	1.75 per hour
Postal helper	547	1.43 per hour
Postal clerk 2	1,729	1.57 and $1.72 per hour
Postal clerk 1	72	1.43 and 1.58 per hour
Mail handler	292	1.40 and 1.55 per hour
Typist 1	1	annual rate
Telephone operator	1	annual rate

Where two rates are shown, those who work during day hours receive the lower rate whereas night work calls for the higher rate.

Casuals: We have no breakdown by wages of the number of casual employees in the operating service since they are paid locally. The control by headquarters is primarily through the dollar cost of casuals rather than the number. The number fluctuates daily. In the 17 largest post offices there was a total of 508 casuals in 1959 and 988 on March 31, 1964. In addition there was a small number of casuals in the smaller post offices but no record of these is maintained at headquarters.

Questions

8. Volume of mail by classes (pieces): (a) First class, 1,983,942,753; (b) Second class, 546,748,782; (c) Third class, 1,182,512,698; (d) Fourth class, 89,158,912.

The above figures for staff show the actual number of employees in contrast to the hon. member's question on related subjects last November which dealt with the number of positions. Usually the number of positions is somewhat greater than the number of employees due to delays in replacements; the difference varies from time to time.

ASSISTANCE TO EASTERN FARMERS

Question No. 1,262—**Mr. Matte:**

What assistance is given directly or indirectly by the Department of Agriculture to the farmers of eastern Canada?

Mr. Hays: Department of Agriculture assistance to farmers in eastern Canada—1964-65: In addition to the functions of the Department of Agriculture in the fields of agricultural research, production, marketing, and animal and plant disease control, the following are items of assistance to farmers of eastern Canada involving direct and indirect support, assistance and subsidy programs.

Price support programs: creamery butter, cheddar cheese, skim milk powder, eggs, hogs, steers, sheep, lambs and wool, wheat, oats, barley, soya beans, sugar beets, flue cured tobacco.

Subsidy programs: butterfat, milk and cream, Canada first grade cheddar cheese, casein.

Assistance programs: quality premiums on hog and lamb carcasses, premiums on high quality cheese, assistance in construction and reconstruction of cheese factories, compensation for animals slaughtered under provisions of Animal Contagious Diseases Act, grants to agricultural fairs, exhibitions and museums, grants to agricultural organizations.

Federal-provincial shared cost programs: premiums on purebred sires, contributions for livestock improvement, agricultural lime assistance, assistance in construction of potato warehouses, contributions for barberry eradication, crop insurance, contributions for payment of rabies indemnity, purchase of vaccine for control of brucellosis, freight assistance on livestock shipments to and from royal agricultural winter fair, grants to 4-H clubs.

[Mr. Nicholson.]

ASSISTANCE TO WESTERN FARMERS

Question No. 1,263—**Mr. Matte:**

What assistance is given directly or indirectly by the Department of Agriculture to the farmers of western Canada?

Mr. Hays: Department of Agriculture assistance to farmers in western Canada—1964-65: In addition to the functions of the Department of Agriculture in the fields of agricultural research, production, marketing, animal and plant disease control, and rehabilitation, the following are items of assistance to farmers of western Canada involving direct and indirect support, assistance, and subsidy programs.

Price support programs: creamery butter, cheddar cheese, skim milk powder, eggs, hogs, steers, sheep, lambs and wool, sugar beets.

Subsidy programs: butterfat, milk and cream, Canada first grade cheddar cheese, casein.

Assistance programs: prairie farm assistance, see note 1. Quality premiums on hog and lamb carcasses, premiums on high quality cheese, assistance in construction and reconstruction of cheese factories, compensation for animals slaughtered under provisions of Animal Contagious Diseases Act, grants to agricultural fairs, exhibitions and museums, grants to agricultural organizations.

Federal-provincial shared cost programs: premiums on purebred sires, contributions for livestock improvement, agricultural lime assistance (British Columbia only), assistance in construction of potato warehouses, crop insurance, purchase of vaccine for control of brucellosis, freight assistance on livestock shipments to and from royal agricultural winter fair, grants to 4-H clubs.

Note 1: Western grain producers contribute to the prairie farm emergency fund through a levy of 1 per cent on value of all grain marketed through licensed elevators.

COST OF TRANSPORT DEPARTMENT AIRCRAFT

Question No. 1,339—**Mr. Mather:**

What was the cost in dollars of the Jet Star transport aircraft purchased for use by Department of Transport officials?

Mr. Pickersgill: The Jet Star aircraft was not purchased for use by Department of Transport officials, but to provide the department with complete operational data and experience in civil jet aircraft, since these must be regulated by the department. Delivery of the aircraft was obtained in January 1962

and it is used for the evaluation and investigation of electronic aids to air navigation and associated landing systems. It is also used as available for the transportation of distinguished visitors to Canada and official flights of the Prime Minister and members of the government.

The cost of the aircraft was $1,136,000.

RENTAL CONTRACTS FOR BUILDINGS NOT COMPLETED

Question No. 1,347—**Mr. Grafftey:**

1. Since April 8, 1963, how many contracts for the rental of buildings have been let by the Department of Public Works when the buildings were not yet completed?
2. To whom was each contract awarded?
3. When was each contract awarded and at what price, per square foot?

Mr. Deschatelets: For the purpose of this question, it is considered that a contract exists when an officer of the Department of Public Works, being properly authorized to do so, advises the owner of the premises, in writing, that the department has accepted his proposal to rent a substantial portion of, or his complete building, to the government.

1. Thirteen.

2 and 3.

Location and project	Owner	Date contract awarded	Price per square foot
			$
Port Cartier, Que.— Post office—1,500 sq. ft.	Mr. Gabriel Pelletier	27- 2-64	3.75
Vercheres, Que.— Post office—1,100 sq. ft.	Caisse Populaire	2- 4-64	2.32
Lambeth, Ont.— Postal station—2,000 sq. ft.	Blendcraft Construction Co. Ltd.	28- 5-64	1.55
Ottawa, Ont.— Postal station—7,600 sq. ft.	Carlingwood Properties Ltd.	14- 5-64	1.73
Toronto, Ont.— Post office—5,066 sq. ft.	E. W. Dempster	15-11-63	2.54
Victoria Harbour, Ont.— Post office—1,152 sq. ft.	Mr. T. J. Bernard	29- 5-63	1.87
Moosehorn, Man.— Post office—875 sq. ft.	D. Ferguson	3- 2-64	2.20
Elbow, Sask.— Post office—800 sq. ft.	L. A. Robbins	18-10-63	1.74
Calgary, Alta.— Postal station—9,050 sq. ft.	T. D. Barnes	11- 6-63	2.60
Spruce Grove, Alta.— Post office—1,100 sq. ft.	Spruce Grove Development	5- 2-64	2.50
Ottawa, Ont.— Depts. of Defence Production and Industry—96,420 sq. ft.	Metcalfe Realty Co. Ltd.	24-10-63	3.99
Ottawa, Ont.— National Harbours Board—16,520 sq. ft.	Thomas L. Hum	21- 1-64	3.50
Ottawa, Ont.— Dept. of Citizenship and Immigration—200,000 sq. ft.	Laurentian Realties Ltd.	15-11-63	3.25

NATIONAL CAPITAL COMMISSION EXPROPRIATIONS, OTTAWA

Question No. 1,376—**Mr. Thompson:**

1. When were the properties on lots 13, 14, 15 and 16, concession 2, Ottawa front, expropriated by the N.C.C.?
2. Has settlement been made to the owners of these properties and, if not, what offers have been made to the owners of these properties?
3. How are fair values determined in making settlement with owners of property expropriated by the N.C.C.?

Questions

4. What is the policy of the N.C.C. in servicing and maintaining expropriated properties which the original owners have vacated?

5. Is service maintenance contracted out to private firms or individuals?

6. How many N.C.C. employees in each of the trades are engaged in service maintenance of expropriated N.C.C. properties?

Answer: 1 and 2. Please see table below.

3. In determining fair values of expropriated properties, the national capital commission secures data with respect to value from technical experts such as real estate appraisers, building contractors, soil experts, engineers with respect to machinery and equipment, and chartered accountants for business disturbance, cost of moving and other such claims.

Upon receipt of the foregoing information, the negotiators of the commission meet with the former owner or his agent to discuss elements of value peculiar to his property. This includes such things as loss of value of drapes, venetian blinds, broadloom rugs, disconnecting of stoves, dryers, etc., the cost of moving or other costs occasioned by the expropriation.

When agreement is reached as to the amount of the compensation, an option setting forth the terms is prepared by the commission and signed by the former owner. This option is then considered by the land committee of the commission, which after viewing the property, makes recommendations to the commission. The commission then may approve the option. If the amount exceeds $25,000, treasury board approval is also required.

4. Policy of servicing and maintaining properties which the original owners have vacated.

These fall into four classifications: (a) Economic properties; (b) Uneconomic properties; (c) Buildings unfit for human habitation because of fire and health hazards; (d) Properties which must be cleared of buildings in order to carry out projects of the commission.

Generally, the buildings on economic properties are serviced and maintained to the same standard as if they had continued in private ownership. However, the standard of maintenance on buildings which do have to be demolished because of the requirements of major national capital commission projects does vary, since this depends on the date when the demolition is likely to occur.

Uneconomic or substandard properties are offered for sale for demolition or occasionally for removal, by public tender.

5. Not entirely; a small amount is done by national capital commission staff.

6. One truck driver and one tractor operator plus part time use of park maintenance crews on weed control.

Parcel No. and name of former owner	Description	Area and date of expropriation	Settlements and amount	Remarks
G.N.O. 2-13-1 Elmer Henry	Pts. lots 13-14-15, con. 2, O.F., Nepean	July 9, 1959 332 acres	Nil	Compensation in the amount of $414,700 has been discussed.
G.N.O. 2-14-1 Dr. H. B. Moffatt	Pts. of lots 14-15, con. 2, O.F., Nepean	June 22, 1959 95.9 acres	Nil	(An information has been filed in the Exchequer Court of Canada in the amount of $180,000)
G.N.O. 2-14-1A Dr. H. B. Moffatt	Pts. of lots 14-15, con 2, O.F., Nepean	June 13, 1961 7.0 acres	Nil	
G.N.O. 2-15-4 Ottawa Jewish Home for the aged	Pt. lot 15, con. 2, O. F. Nepean	June 13, 1961 12.2 acres	Yes $37,500	
G.N.O. 2-15-6 John Craig Moffatt	Pt. lot 15, con. 2, O.F., Nepean	June 13, 1961 2.3 acres	Yes. $27,000	
G.N.O. 2-16-2 Mary Rose Whiting	Pt. lot 16, con. 2, O.F., Nepean	June 13, 1961 1.6 acres	Yes $38,500	
G.N.O. 2-16-3 George B. Acres	Pt. lot 16, con. 2, O.F., Nepean	June 13, 1961 3.3 acres	Yes $45,750	
G.N.R. 3-35-1 R. A. S. Bruce	Pt. lot 16, con. 2, O.F., Nepean	Dec. 13, 1960 69.3 acres	Nil	Compensation in the amount of $350,000 has been discussed for 200 acres, of which these properties are a part.
G.N.R. 3-35-IX R. A. S. Bruce	Pt. lot 16, con. 2, O.F., Nepean	June 13, 1961 1.8 acres	Nil	

SILVER DOLLARS

Question No. 1,382—**Mr. Peters:**

1. What action is contemplated by the government to ensure an adequate supply of silver dollars in the current year?

2. How many silver dollars have been minted to date in 1964?

3. How many silver dollars is it anticipated will be minted for the year 1964?

4. How many silver dollars are in mint sets, how many as singles for currency?

5. How many ounces of silver have been consumed in the production of silver dollars to date during 1964?

Mr. Pennell: 1. From now until the end of the year, the Royal Canadian Mint expects to produce approximately three million silver dollars which will be issued to the Bank of Canada for circulation. This figure will be increased if the present demand for the smaller coin denominations moderates.

2. 4,137,937 silver dollars have been struck to June 26. Of these, 3,267,807 were issued to the Bank of Canada for circulation and 870,130 were sold to numismatists and general public.

3. 9,000,000.

4. During 1964 it is expected that 2,838,387 silver dollars will have been used in mint sets and separately for numismatic purposes; 6,161,613 will have been issued to the Bank of Canada for circulation.

5. 2,482,762 ounces fine silver to June 26, 1964.

ADJUSTMENT STATEMENTS FILED BY CHINESE, TORONTO

Question No. 1,383—**Mr. Wahn:**

1. How many persons of Chinese origin have filed adjustment statements, (i.e. statements to adjust their irregular or illegal status) at the Toronto immigration office during the 1960 calendar year and each subsequent calendar year to date?

2. If any of the adjustment statements above mentioned have been proved false, how many such false statements were there for each of the calendar years above mentioned?

Mr. Badanai: 1. The numbers of persons of Chinese origin who filed adjustment statements at the Toronto immigration office in the calendar years 1960 and 1961 was 62. Separate figures for 1960 and 1961 are not available. The figures for the number of such persons who filed these statements at the Toronto immigration office since 1961 are: 1962, 233; 1963, 434; 1964, 312 (first five months).

2. These statements are being accepted as veracious. None have so far been proven false.

*THREE RIVERS, QUE. AIRPORT

Question No. 1,388—**Mr. Marcoux:**

1. In what year was the Three Rivers airport built?

2. What did it cost to build the runway?

3. What did it cost to construct the terminal building?

4. In what year was the T.C.A. service established at Three Rivers?

5. What does it cost to maintain T.C.A. personnel at the Three Rivers airport?

6. What is the cost involved each time a T.C.A. plane stops at Three Rivers?

7. What is the daily average number of passengers making use of T.C.A. flights to or from Three Rivers?

[*Translation*]

Mr. Cantin: 1. Started in 1960, serviceable 1961.

2. Construction costs and materials and engineering, approximately $700,000.

3. The building was constructed by the city of Three Rivers.

Regarding parts 4, 5, 6 and 7, the management of Trans-Canada Air Lines advises as follows:

4. 1963.

5. $26,000 per annum.

6. Additional flying costs and landing fees incurred each time a Viscount aircraft stops at Three Rivers approximate $50.

7. (a) Average number of passengers boarded for Three Rivers, 3.2 per flight. (b) Average number of passengers boarded from Three Rivers, 2.4 per flight.

[*Text*]

MINISTERS' OFFICE ASSISTANTS OUTSIDE OTTAWA

Question No. 1,394—**Mr. Marcoux:**

How many persons employed in the offices of ministers were stationed outside Ottawa; what are their names; where was each one stationed; and what salary did each receive (a) from 1956 to 1957 (b) from 1957 to 1963 (c) from 1963 to 1964?

Mr. McIlraith: No detailed records were maintained which make it possible to report with certainty the numbers of persons employed in offices of ministers and stationed outside Ottawa prior to 1963. Subject to this comment and so far as available records indicate the following is the information requested.

(a) During the years 1956 to 1957 or part of them, five persons employed in offices of ministers were stationed outside Ottawa. They were: L. P. Corkum at Lunenburg as clerk 4 to Minister of Public Works at $3,720; Mrs. A. Desmarais at Montreal as assistant private secretary to Postmaster General at $3,660;

Questions

Miss Mary Agnes O'Toole at Montreal as secretary to executive to Minister of Transport at $3,510; Miss L. Paul-Hus at Montreal as stenographer 3 to Secretary of State at $3,360; Mrs. I. M. Vrooman as stenographer 3 to Minister of National Health and Welfare at Windsor at $3,360. There is also a possibility that H. A. Munro, executive assistant to the Minister of Fisheries, may have worked for part of a two month period in 1957 at Vancouver, though it is doubtful whether he was "stationed" at Vancouver.

(b) During the years 1957 to 1963 or part of them, 11 persons employed in the offices of ministers were stationed outside Ottawa. They were: Mrs. L. Arnold at Hamilton as assistant private secretary to Minister of Citizenship and Immigration at $3,870; Norman A. Bolduc at St. Giles, P.Q. as clerk 4 to Minister of Defence Production at $4,020. It is believed that Mr. Bolduc normally was stationed three days each week in St. Giles and two days each week in Ottawa; Miss M. E. A. Chabot at Montreal as stenographer 3 (secretary) to Associate Minister of National Defence at $3,870; R. C. Gurr at Brandon, as principal clerk to Minister of Northern Affairs and National Resources at $4,620; Miss J. Lacroix at Montreal as clerk 3 to Postmaster General at $4,350; Mrs. F. Mann at Fredericton as stenographer 3 to Minister of Forestry at $3,660; Gerald Masse at Mont Laurier as assistant private secretary to Secretary of State at $4,000; L. H. Nickerson at Fredericton as associate private secretary to Minister of Veterans Affairs at $4,680 and later as head clerk to Minister of Forestry at $5,940; H. L. Ritcey at Middleton, N.S., as assistant private secretary to Minister of National Revenue at $3,660; Nick Roth at Regina as assistant private secretary to Minister of Agriculture at $4,020; Solange Vezina at Montreal as assistant private secretary to Secretary of State at $3,150.

(c) At various times during the years 1963 to 1964 or part of them, 17 persons employed in the offices of ministers were stationed outside Ottawa. Of this group, 15 persons are at present employed full time and one person part time. The names of the 17 persons are: W. F. Armstrong at Vancouver as head clerk to Postmaster General at $6,030; Miss J. Austin at Vancouver as typist 2 to Minister of Northern Affairs and National Resources at $3,180; J. L. Bergeron at Montreal as clerk 4 to Minister of Justice at $4,260; Mrs. A. Canzanese at Toronto as stenographer 2 to Minister of National Defence at $3,150; J. A. E. Cournoyer-Morin at Montreal as assistant private secretary to Minister of Public Works at $4,710; P. Dequoy at Montreal as clerk 3 to Minister of Public Works at $4,200. Mr. Dequoy's resignation was effective June 2, 1964; J. L. Ferron at Sorel as stenographer 2 to Associate Minister of National Defence at $3,600; Mrs. Anna Frost at Niagara Falls as principal clerk to Minister of National Health and Welfare at $5,220; Ghislain Gravel at Quebec city as special assistant to Minister of Citizenship and Immigration at $10,000; Mrs. Alison Hinchey at Bathurst as stenographer 2 to Minister of Fisheries at $3,150; Mrs. Blanche Larose at Montreal as assistant private secretary to Secretary of State at $4,950; Miss E. Long at Vancouver as stenographer 2 to Postmaster General at $3,450; E. C. McCrory at Montreal as clerk 1 to Minister of Industry and Defence Production at $2,730; Mrs. Rose Pelletier at St. Boniface as part time secretary to Minister of Veterans Affairs at $2,000; Miss L. St. Jacques at Montreal as clerk 2 to Minister of Public Works at $3,120; Mrs. M. V. T. Therrien at Sorel as stenographer 2 to Associate Minister of National Defence at $3,150; Miss S. D. White at Vancouver as clerk 3 to Minister of Northern Affairs and National Resources at $4,200.

FISHING RIGHTS OF MEMBERS OF EUROPEAN COMMON MARKET

Question No. 1,397—**Mr. Lambert:**

1. What is the nature of the declaration made by the Minister of Fisheries with respect to the increased activities of European fishermen, as a result of the modernization of harbour and other facilities for fishermen on the islands of St. Pierre and Miquelon?

2. Have negotiations been entered into between Canada and the six nations of the common market with respect to fishing rights and/or the activities of fishermen of those nations?

3. Has the government of Canada received protests from any of the governments of the common market nations either on an informal or formal basis?

Answer: 1. The Minister of Fisheries stated in the standing committee on marine and fisheries that we have no specific information about the intentions of the French government with regard to the modernization of harbour and other facilities at St. Pierre and Miquelon islands, but that should there be any interference in Canadian waters, this would be a matter of negotiation between Canada and France.

2. The only two countries of the European common market with whom we are negotiating are France and Italy.

3. Seeing that we are negotiating with these two countries, the question of protest does not arise. We have had no communication with the other countries of the European common market.

CANADIAN COINAGE AND CURRENCY

Question No. 1,399—**Mr. Mather:**

What is the total amount of money, coinage and currency, in Canada?

Mr. Pennell: The following figures taken from the June 1964 edition of the Bank of Canada statistical summary were applicable as at May 27, 1964:

	(Millions of dollars)
Currency outside banks	
notes	1,788
coin	203
Chartered bank deposits	14,992.

ENLARGEMENT OF ROYAL CANADIAN MINT

Question No. 1,420—**Mr. Rynard:**

Is any consideration being given by the government to enlarging the premises of the Royal Canadian Mint to take care of greater demands for Canadian coins and also of requests for the manufacture of coins from other countries?

Mr. Pennell: Yes.

DREDGING PROGRAM, FLOWERPOT ISLAND, ONT.

Question No. 1,424—**Mr. Loney:**

Is it the intention of the Department of Public Works to proceed with a modified dredging program at the entrance to Flowerpot island, Ontario?

Mr. Deschatelets: A sounding survey of the harbour at Flowerpot island has recently been completed by the department at the request of the Department of Northern Affairs and National Resources. A dredging program is now under consideration.

OWNERSHIP OF TELEPHONE SYSTEM, WELLAND CANAL

Question No. 1,431—**Mr. Danforth:**

1. Who owns and operates the telephone system for interoffice and interstructure communication on the Welland ship canal?

2. Up to the present time, has the service work for same been done by employees of the St. Lawrence seaway authority?

3. Is a change in this regard now contemplated and, if so, for what reason?

Mr. Pickersgill: The St. Lawrence seaway authority advises as follows:

1. The St. Lawrence seaway authority.

2. Yes.

3. Yes; a contract is being negotiated with the Bell Telephone Company of Canada, for reasons of (1) efficiency and (2) economy.

IMMIGRATION AND EMIGRATION, 1958-1963

Question No. 1,438—**Mr. Balcer:**

How many immigrants came to Canada in 1958, 1959, 1960, 1961, 1962 and 1963 and how many of them emigrated to the United States or elsewhere after learning a trade in this country?

Mr. Badanai: The numbers of persons admitted to Canada as immigrants annually from 1958 to 1963, inclusive, are: 1958: 124,851; 1959: 106,928; 1960: 104,111; 1961: 71,689; 1962: 74,586; 1963: 93,151.

The number of these who emigrated to the United States or elsewhere after having learned a trade in this country is unknown.

TAX ON PRODUCTION MACHINERY AND BUILDING MATERIALS

Question No. 1,439—**Mr. Stenson:**

1. Since June 12, 1963, how much has the Department of National Revenue received from the (a) tax on production machinery (b) tax on building materials?

2. Is this tax collected monthly, quarterly or yearly?

3. How much of an increase in the department's staff was there when this tax was levied?

Mr. Benson: 1. Information not available. Sales tax returns are not filed nor recorded according to commodities.

2. Every person required to pay sales taxes is required to make each month a true return of his taxable sales for the last preceding month. In the case of taxable importations, the tax is payable at the time of entry.

3. There has been no increase in the establishment of customs and excise division as a result of the above taxes.

TAX EXEMPTION FOR MORTGAGE INTEREST AND MUNICIPAL TAXES

Question No. 1,458—**Mrs. Jones:**

Is there at present any contemplation on the part of the government to aid and encourage Canadian homeowners by exempting mortgage interest and municipal taxes from taxable income?

Mr. Pennell: Representations on this matter, as well as on a wide range of other tax subjects, will be studied during the preparation of the next budget.

REMOVAL OF TAX ON DRUGS

Question No. 1,459—**Mrs. Jones:**

Will the government consider the removal of the tax on drugs, which constitutes an additional burden for those who are ill?

Mr. Pennell: Representations on this matter, as well as on a wide range of other tax subjects, will be studied during the preparation of the next budget.

EXTERNAL AFFAIRS

CYPRUS—REPORTED LOADING OF GREEK AND TURKISH TROOPS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs, and ask him whether he has noted that the figures now accepted in the United Kingdom in the Manchester *Guardian*, and in the United States in the weekend issue of the New York *Times*, are that some 4,000 Greek troops clandestinely landed in Cyprus. Is he now in a position to place before the house and the country the record in this regard, as shown to be confirmed in the United Kingdom and in the United States, under the circumstances and in the periodicals referred to? Will he also tell the house what transpired during the call on him by the Turkish ambassador on Friday afternoon, and was there on the part of the Turkish ambassador anything in the nature of a diplomatic protest?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, with regard to the first part of the question there are, as I said last week, different assessments of the infiltrations, and these are now being examined by the United Nations. Until such time as the final assessment has been made I think it is not desirable that I should go beyond what I have already indicated in the house.

The Turkish ambassador came to see me on Friday. There was no protest. I do not believe it is desirable to reveal the nature of discussions between a foreign minister and an ambassador, but I can say that while this matter was generally discussed, no protest was made by him.

Mr. Diefenbaker: A supplementary question, Mr. Speaker, and I am keeping within limits that are fair and proper. Was there any suggestion by the Turkish ambassador that there was in fact no foundation for the view expressed by the minister in the house that Turkish troops have infiltrated?

Mr. Martin (Essex East): I think it is fair to say that as far as the ambassador was aware the implication of the general observation I made on Friday was not known to him.

Mr. Diefenbaker: One other supplementary question, Mr. Speaker. In view of the situation in Cyprus, will the minister now inform the house whether an appointment will be made so that members of the house may discuss it, not in committee but actually as a matter of transcendent importance to Canadians as a whole?

Mr. Martin (Essex East): I fully agree with the right hon. gentleman that this is a matter of transcendent importance. I assure him that the suggestion is one that is very much in my mind, and just as quickly as I believe it desirable I shall certainly advise my right hon. friend.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. In view of the fact that the landing of both Greek and Turkish troops on Cyprus is a violation of the security council resolution, has the United Nations made any representations to the governments of those two countries and has it secured from either or both an assurance that, first, there will be no further landing of troops and, second, that the troops who have landed will be withdrawn?

Mr. Martin (Essex East): Mr. Speaker, there already has been an appeal, made last Thursday, by the secretary general of both the allegedly involved countries, and the secretary general has made it known that he will report the results in that regard to the security council. I should say that we were advised this morning that the Turkish foreign office has denied the suggestion that was made. However, I believe I should wait until such time as the secretary general has spoken.

Mr. Douglas: A further supplementary question, Mr. Speaker. Is it correct that the R.C.A.F. has been put on alert for a possible evacuation of the Canadian troops from Cyprus? Is this being done in conjunction with the United Nations, or is it merely an emergency provision against any unfortunate circumstance which may develop?

Mr. Martin (Essex East): I will ask my colleague to reply.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, as I have already indicated to the house, the department is fully aware of its responsibilities to the Canadian contingent and we have kept their interests in mind.

Mr. Douglas: The question I asked was directed to the Acting Prime Minister, and it was whether placing the R.C.A.F. on alert had been done in conjunction with the United Nations and if the latter was aware of this action. Is it being done because the situation has deteriorated or merely as stand-by insurance?

Mr. Martin (Essex East): Mr. Speaker, the words of the Minister of National Defence were, I think, words that deserved to be examined.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): They were made with a full sense of responsibility. But I might say that Canada is a member of the United Nations force, our troops are under the commander of the United Nations force and under the direction of the secretary general pursuant to a resolution of the security council. The participation of Canada was authorized by this house. Canada does not intend to take any action that is in any way going to lower the potential power of the United Nations. This does not mean to say that all sorts of contingencies are not borne in mind. We must recognize the fact that we are a member of the United Nations force called upon to do our best, pursuant to the charter, to see what contribution we can make toward peace on that troubled island.

Mr. Douglas: May I assist the minister in giving a more succinct answer by asking him if we can have the assurance there will be no withdrawal of Canadian forces without the agreement of the United Nations.

Mr. Martin (Essex East): Mr. Speaker, I think my hon. friend, who has been a student of international affairs for a long time, knows he could not, under the circumstances, expect a more succinct answer than the one I gave.

Mr. Diefenbaker: One might almost say that one could not, under any circumstances, expect a more succinct answer than has been received, but that would be unfair to the minister on occasion. I ask the minister this. Was there any foundation for the report in the afternoon press of Friday that an exceptionally well informed and always reputable source in the department of defence had stated that preparations had been completed so that if evacuation were required the R.C.A.F. would carry it out?

Mr. Hellyer: I have not seen the actual report, Mr. Speaker, but I understand that it was not factual in all respects. I think it is well known, however, that the R.C.A.F. does have a very considerable capability. It was used at the time the force was set up, and this force is always available for whatever purposes it may be directed.

Mr. Diefenbaker: What does the hon. gentleman mean by that? Is it a fact or is it not, as stated by this source already described so fulsomely in the press, that arrangements have been made to guarantee that if there is an emergency the R.C.A.F. can and will act?

Mr. Hellyer: I think the facts as specifically set out in the article were not correct.

Mr. Diefenbaker: What particular facts were not correct? I should like to know what portions were not correct.

Hon. Marcel Lambert (Edmonton West): I should like to direct a question to the Minister of National Defence. Upon what facts at this time, after many weeks in Cyprus, does the government now give the situation a different assessment, which now necessitates a stand-by alert for this transportation fleet? Why is it now being put on a stand-by alert?

Mr. Hellyer: I do not think I can add anything to what has been said already by the Secretary of State for External Affairs, who set out the situation very fully and very succinctly for my hon. friend.

[*Later:*]

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a question to put to the Minister of National Defence concerning intelligence reports from Cyprus. Are intelligence reports made directly to anyone in Canada or to the minister, other than those which come through the United Nations itself? Do we get them direct, or do we have to get them through the United Nations?

Mr. Martin (Essex East): Mr. Speaker, my hon. friend will not mind if I answer this question by suggesting to him that, as this is a question involving security, he should not press it any further.

NATO—RUSSIAN PROPOSALS RESPECTING MULTILATERAL FORCE

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I wish to address a question to the Secretary of State for External Affairs. In view of the fact that Soviet authorities have contacted the representatives of most of the NATO countries in Moscow regarding NATO nuclear

armament, can he tell the house whether there has been any contact with Canada on this subject either through our representative in Moscow or directly with himself?

Hon. Paul Martin (Secretary of State for External Affairs): With regard to the nuclear force?

Mr. Thompson: The multilateral nuclear force.

Mr. Martin (Essex East): Would the hon. member state the question again?

Mr. Thompson: During the last few days the Soviet authorities have been in contact with the Moscow representatives of most of the NATO countries regarding the multilateral nuclear force proposed by NATO. Can the hon. gentleman inform the house whether there has been any contact on this matter either through our representative in Moscow or directly?

Mr. Martin (Essex East): It may be that since the Soviet ambassador is out of the city this communication has not yet come to Canada. I have seen the statement of Chairman Khrushchev with regard to the implications, as he sees them, of the multilateral force. I would point out to the hon. gentleman that while a proposal for a multilateral force has been made by the United States, it does not represent at this stage a NATO problem as such.

Mr. Eldon M. Woolliams (Bow River): A supplementary question. Are negotiations still going on for Canada to contract out of nuclear weapons?

Mr. Martin (Essex East): This question has been answered several times in the past.

Mr. Woolliams: Not very clearly, though.

VISIT TO POLAND BY PARLIAMENTARY SECRETARY TO MINISTER

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Acting Prime Minister. Is he able to advise the house whether the visit of his parliamentary secretary, the hon. member for Parkdale, to Poland is official or otherwise? If it is official, what is the purpose of his visit?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, my parliamentary secretary has gone to a conference in Geneva, and at the same time he will take advantage of his presence in Europe to visit Poland, as a Canadian citizen of Polish background. I am sure this will be welcomed by Canadian citizens generally, and particularly by those of Polish extraction who are part of the Canadian family. I hope that as the result of his visit —in fact I believe that as the result of his visit—there will be some exchanges that will be of value to this country.

Some hon. Members: Hear, hear.

HOUSE OF COMMONS

REFUSAL TO ADMIT TO GALLERIES GIRLS WEARING SHORTS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to whom it may concern. I ask this question at the request of a number of young ladies who came to Ottawa to see their parliament in action but were denied admittance to the galleries because they were wearing shorts.

In view of the fact that many years ago it was considered improper for a lady to come into the gallery without a hat and the protective staff provided those ladies with temporary hats, and in view of the fact that in some places in the United States they provide ladies in shorts with wraparound or portable skirts, could some consideration be given to providing such wraparound or portable skirts that could be issued by the protective staff for a small fee?

Hon. Paul Martin (Acting Prime Minister): Since the question has been directed to whom it may concern, might I suggest to the hon. gentleman that at six o'clock he and I should address ourselves to the officers of the house on this matter, after he and I discuss the merits of the question.

AGRICULTURE

WESTERN CANADA—REQUEST FOR PROVISION OF ACREAGE PAYMENTS

On the orders of the day:

Mr. F. J. Bigg (Athabasca): In the absence of the Minister of Agriculture I will address my question to the Minister of Trade and Commerce. As there is a serious situation in many grain growing areas in western Canada amounting, in many cases, to complete crop failure, will the government give consideration to making acreage payments as was done by the former administration.

Hon. Mitchell Sharp (Minister of Trade and Commerce): The government's intention with respect to the drought stricken areas of Saskatchewan has been partly announced

by the Minister of Agriculture, and any further measures will be announced when decisions are taken.

PENSIONS

CANADA PLAN—SUGGESTED CONFERENCE RESPECTING PRIORITY

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I wish to address a question to the Acting Prime Minister. Has the government received a letter from Premier Roblin of Manitoba suggesting or recommending that a dominion-provincial conference be held prior to the introduction of the Canada pension plan in order that the priorities of the provinces may be assessed with respect to economic development, education and other matters? If so, has the letter been considered, and what is the attitude of the government with regard to this request?

Hon. Paul Martin (Acting Prime Minister): I tabled letters from five provincial premiers a few moments ago, and I distributed copies of those letters to the leaders of the parties so they might have them for examination. Included among them is a letter from Premier Roblin with regard to the question of priorities. Of course the program of the Prime Minister, which we are now carrying out and which was drafted before he left for the prime ministers' conference, was prefaced by his own statement in the house concerning priorities. One of these was education, in connection with which he has acted, another was in connection with health and medical care—problems which had to be proceeded with on the basis of consultation with the provinces.

With regard to the Canada pension plan, if there is indeed a suggestion by Premier Roblin that this plan should be postponed, then I should say as the Prime Minister has already indicated, that it is not the intention of the government to postpone this particular measure.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Is it not a fact that when the government of Manitoba agreed to the amendment of the British North America Act with respect to the Canada pension plan it did, by implication, agree to the Canada pension plan; and is the federal government therefore not justified in going ahead with its commitment to proceed with this legislation this session?

Mr. Martin (Essex East): The Prime Minister has already dealt with that point and I sought to deal with it in the reply I gave to the hon. member for Edmonton West a few moments ago.

AIRPORTS

TORONTO—REQUEST FOR EXTENSION OF LIMOUSINE SERVICE

On the orders of the day:

Mr. M. J. Moreau (York-Scarborough): I wish to direct a question to the Minister of Transport. Would the minister consider asking Air Terminal Transport Limited either to end its monopoly at Toronto international airport or to extend it so as to provide limousine service to the 300,000 people living in the east and north of Toronto who are currently receiving no consideration at all?

Mr. Speaker: I wonder if the hon. member would put this question on the order paper.

Mr. Moreau: I serve notice that I wish to debate this matter on the late, late show.

CANADIAN BROADCASTING CORPORATION

PROPOSED EXPENDITURES ON STUDIOS IN MONTREAL AND TORONTO

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): In view of the fact that last week the Canadian Broadcasting Corporation applied to the Crown Assets Disposal Corporation for the use of old federal buildings on property which the city of Vancouver needs for park purposes, how can the C.B.C. justify the expenditure of $105 million on studios in Montreal and Toronto while refusing to consider even a modest new building in downtown Vancouver?

Mr. Speaker: I doubt very much whether the phrasing of this question is in order. In any event, perhaps the hon. member would put it on the order paper.

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I wish to address a question to the Minister of Industry in the light of the answers he gave to questions last week. This is of urgent public importance. May I ask the minister if this is the week when the Crown Assets

Disposal Corporation will decide on the utilization of the R.C.A.F. lands at Kitsilano in Vancouver. If so, will consideration be given to protecting the last remaining open waterfront area for park and recreation purposes?

An hon. Member: Louder.

Mr. Winch: I wish I could say it louder, and I wish some of you would speak louder, too, on behalf of Vancouver.

Hon. C. M. Drury (Minister of Industry): I hope it may be possible to reach conclusion this week. This does, however, depend to some extent on the availability of negotiators on behalf of those who are putting forward proposals. I can reassure the hon. gentleman that the needs of the city of Vancouver will be taken fully into consideration.

TRANSPORT

SASKATCHEWAN—REPORTED SHORTAGE OF BOX CARS

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): I wish to direct a question to the Minister of Transport, having again received calls this morning from the Rouleau area stating there are 250,000 bushels of wheat still to be delivered. Can the minister assure the house that sufficient cars will be provided by the Canadian Pacific Railway to move this grain before July 31?

Hon. J. W. Pickersgill (Minister of Transport): I think the hon. member knows that the government has no direct control over the C.P.R., but the hon. member for Red Deer brought this matter to my attention by telephone this morning, as well as to the attention of my colleague the Minister of Trade and Commerce. The matter is being taken up very actively with the wheat board, and I believe certain representations have also been made direct to the railway company. I am very hopeful—in fact I feel quite confident—that the railway, looking for business, will be anxious to do everything it can.

Mr. Watson (Assiniboia): Would the minister care to comment on a report in the Moose Jaw paper last week by the superintendent of the C.P.R. division there that there was no tie-up of grain shipments in the area under his jurisdiction? Could he possibly have the superintendent of the Regina subdivision explain why there is a tie-up on the latter line?

Mr. Pickersgill: I would be very glad to draw the matter to the attention of the head office of the railway to see whether they can give some explanation.

HEALTH AND WELFARE

MEETING OF HEALTH MINISTERS TO CONSIDER ROYAL COMMISSION REPORT

On the orders of the day:

Mr. Barry Mather (New Westminster): I had a question to direct to the Minister of National Health and Welfare. In her absence perhaps the parliamentary secretary might reply. Will there be a meeting in Ottawa in the next two weeks with the provincial health ministers with regard to the health commission report?

Mr. J. C. Munro (Parliamentary Secretary to Minister of National Health and Welfare): Yes, there will be a meeting of the health ministers in Ottawa in the next couple of weeks, and one of the subjects for discussion will be the Hall commission report.

INDUSTRY

POSSIBLE BRITISH INVESTMENT IN QUEBEC STEEL COMPLEX

On the orders of the day:

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Finance.

Could the minister tell the house whether it is true that a large British company is to invest $70 million in the steel complex to be established in Quebec?

[*Text*]

Mr. Speaker: Order, please. Important as this question is, it is surely one for the order paper.

Mr. Pigeon: The minister is ready to answer, and I gave him notice.

Mr. Speaker: That still does not enable the question to qualify as being urgent and requiring an immediate answer.

Mr. Pigeon: After ten o'clock, Mr. Speaker.

Hon. Walter L. Gordon (Minister of Finance): The answer I was about to give was "No, Mr. Speaker".

Mr. Pigeon: I withdraw.

QUEBEC—POSSIBLE LOCATION OF NEW AUTOMOBILE INDUSTRIES

On the orders of the day:

Mr. Raymond Langlois (Mégantic): Mr. Speaker, I would like to direct a question to the Minister of Industry. Has the minister received any communication or request on the part of the city of Thetford Mines to the effect that they are interested in having the Renault or Peugeot car industry established in their locality?

Hon. C. M. Drury (Minister of Industry): Not to my knowledge, Mr. Speaker.

CANADIAN FLAG

REPORTED FLYING OF NEW DESIGN BY H.M.C.S. "YUKON"

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Acting Prime Minister. Is he now in a position to reply to my question of last Friday with regard to the flying of the proposed new flag design on H.M.C.S. *Yukon* while at sea?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the Associate Minister of National Defence is in a position to answer this question.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, on Friday last the hon. member for Cumberland asked two questions. First he wanted to know under what authority the proposed new Canadian flag was flown on H.M.C.S. *Yukon* while at sea. His second question was whether instructions had gone forward from the government to the armed services requesting that they assist in the promotion of the new flag design.

I gave an answer in the negative to the second part of the question, and, as a result of the hon. member's inquiry, I obtained information relating to the first part of his question.

It appears that a flag was made on board H.M.C.S. *Yukon* resembling the proposed new Canadian flag, and was flown on the initiative of the ship's commanding officer. The flag was flown additional to and not in lieu of the normal flags authorized to be worn by Her Majesty's Canadian ships, and in a position inferior to them. The whole episode was at the initiative of the crew of H.M.C.S. *Yukon,* and there was no ulterior or sinister motive connected thereto. However, the action taken was not in strict conformity with regulations, and as a result the senior officer in command ordered that it be hauled down.

Mr. Coates: A supplementary question, Mr. Speaker. Is any further action contemplated, at the request of the government, to reprimand the individuals in question?

Mr. Cardin: The action, of course, was certainly not illegal, and in the minds of certain people it was really commendable. We have no further action to take against the commanding officer.

LABOUR RELATIONS

DISMISSAL OF CANADIAN SAILORS BY IMPERIAL OIL CO.

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, about a week ago I asked the Minister of Labour a question regarding the ship *Imperial St. Lawrence,* some of the crew of which were dismissed at Portland, Maine and left to find their way back to Canada because the Imperial Oil Company said they could pick up West Indian crew members at less than half the salary. The minister promised to look into the matter. I wonder whether he has any report to give to the house.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the officers of the department have looked into this matter, and I will attempt to give my hon. friend a report tomorrow.

Mr. Douglas: Could I ask, at the same time, if the minister will find out whether any other ships have been similarly affected. I have some indication of similar complaints with regard to other ships.

Mr. MacEachen: I will be glad to do that, Mr. Speaker.

INQUIRY AS TO FEDERAL LABOUR CODE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Labour. In view of the fact that it is almost three months since the minister said the government's proposed labour code would be on the order paper as soon as possible, can he say whether this legislation will be introduced shortly?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the original statement still

stands; it will come forward as soon as possible. The measure is being drafted, and as soon as that is completed we will get it on the order paper. I have not had a chance to check the situation this morning, but I think the measure ought to be on the order paper soon.

Mr. Knowles: A supplementary question, Mr. Speaker. I realize the minister is just back from a very important meeting in Geneva, but I wonder if he would check on this and give an answer later this week, perhaps even without being prompted to do so.

Mr. MacEachen: Yes, Mr. Speaker.

Mr. Raymond Langlois (Mégantic): A supplementary question, Mr. Speaker, one which I have asked many times, as have other hon. members. It concerns the study by this house in committee form of the Gill report. Has the minister any communication to give the house at this point?

Mr. MacEachen: No, Mr. Speaker.

COMMONWEALTH CONFERENCE

STATEMENT RESPECTING RACIAL EQUALITY—CANADIAN ATTITUDE RESPECTING RHODESIA

On the orders of the day:

Mr. Gene Rhéaume (Northwest Territories): Mr. Speaker, my question has just arisen as a result of press reports of the Prime Minister's statement in London to the effect that the commonwealth must give leadership in allowing all persons of different racial and cultural groups in various countries the right to expect to develop equally as free citizens. My question is this. Will the government shortly introduce legislation in this house which will give the right to every resident of the Northwest Territories to vote in the territorial elections?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, it is not self evident that there is a logical relationship between these two important observations.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): But I would say that I am sure we all agree that the reported statement of the Prime Minister with regard to racial equality is one that every member of this house and most Canadians will applaud.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I would expect that as a result the suggestion of the hon. gentleman would not altogether fall on ground that is not fertile.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, at once I say I am glad to see that the Prime Minister is converted to the ideas that he criticized when I took the same stand in 1961. I would ask the Acting Prime Minister if he would now let us know—I refrained from asking this question until the Prime Minister had spoken in London—what is the official Canadian attitude respecting Rhodesia?

Mr. Martin (Essex East): I am sure my right hon. friend would agree on reflection that the general attitude taken by the Prime Minister on this occasion was not basically different from the attitude that he and others in this house have taken. With regard to the question of Rhodesia, the prime ministers' conference is not over and I think it would be judicious and wise if we were to wait until the Prime Minister makes a report in this house, as he will do on Friday next, when I am sure my right hon. friend will agree we will be very glad indeed to welcome him back to this house.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: That is a generous generality, Mr. Speaker, but I ask the hon. gentleman this. Is he not in a position to say what the Canadian government decided with regard to the Rhodesian situation? Why should parliament have to wait on this matter, so important to the future of the commonwealth, until the return of the Prime Minister, in view of the fact that he has made this statement in London?

Mr. Martin (Essex East): I hope my right hon. friend will not misunderstand me when I say that I think we should wait for the very reason that on one occasion questions put by me to my predecessor with regard to observations made by the right hon. gentleman elicited the very wise suggestion that I should wait until the right hon. gentleman returned.

Mr. Diefenbaker: I would point out, however, that the hon. gentleman did not accept that and said it was very unfair to parliament.

Mr. Martin (Essex East): If I did, that was one occasion when I was obviously wrong.

Some hon. Members: Oh, oh.

APPROPRIATION BILL

Hon. Walter L. Gordon (Minister of Finance) moved the third reading of Bill No.

C-109, for granting to Her Majesty certain sums of money for the public service of the financial year ending March 31, 1965.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as there is actually no principle to this bill I will not have the opportunity of discussing that aspect of it, but I do want to make a few observations because this item is of serious importance to a good many of the people I represent. Letters which I have received in the last day or two have urged me to continue to do the best I can to get the members of this house to realize what this item provides for.

The purpose of item L17a, which is included in the schedule to this bill, is to provide for the purchase of certain obligations with United States dollars paid to Canada pursuant to the treaty between Canada and the United States relating to development of the water resources of the Columbia river basin. In my opinion, Mr. Speaker, this is in direct opposition to the philosophy of the speeches and writings of the Minister of Finance prior to his appointment as minister. I am not going to criticize the minister directly, or to blame him for the defects in this whole question. I know the minister is a very well intentioned person. However, in this case I think he lacks information or has been misinformed. As one editor stated not long ago, by the passage of this item we will be handing control of one of Canada's greatest waterways to a foreign power for questionable short term monetary and political gains.

I wish to bring to the attention of the house that during the hearings of the committee my colleague the hon. member for Nanaimo-Cowichan-The Islands, when speaking of the costs to the government of Canada, as reported in the committee report said as follows:

> Mr. Cameron: I was not arguing that. I was simply expressing some concern over the position of the government of Canada, because I had already discovered that they were going to pick up part of the tab, and I wanted to be sure that they were not going to do it with this.
>
> Mr. Keenleyside: You said at the beginning that the government of Canada is paying the difference between the two sets of interest rates which, with great respect, is just not the case.

Then, Dr. Keenleyside went on to say:

> The situation is quite clear, but Mr. Cameron is not correct in this at all. In the agreement between British Columbia and Canada it is clearly stated that British Columbia will hold Canada harmless in relation to this whole provision.

Now, Mr. Speaker, in view of the minister's statement on Friday, when this debate is concluded—and I do not intend to prolong it at any great length—we should like an explanation of the apparent contradiction between the information given by Dr. Keenleyside to the committee as co-chairman of the British Columbia hydro and power authority, and the information given by the minister in his statement to the house on Friday last.

Perhaps I might point out here that this item in the bill proves that as far as I can judge the committee was misinformed on this question. Second, I believe this item provides water to irrigate a tremendous acreage of United States soil, water which should have been reserved to irrigate Canadian land and for other consumptive purposes in Canada. Third, this item, as I see it, provides for the sale of Canadian power to develop United States industries, which should be reserved to feed a national grid for the development of industry in Canada and provide a great surge of permanent employment for both this and for future generations.

In this connection, during the committee hearings we were informed that the sale of our surplus power in the United States would not affect the development of the aluminum industry of British Columbia, as owing to the development of atomic power, which would become cheaper from year to year, aluminum plants would soon be economically built on the east coast of the United States.

What has happened, Mr. Speaker, since that information was given to our committee? I read form a United Press International report from New York dated Thursday, July 9, 1964:

> The United States' ninth and newest primary aluminum company, Intalco Aluminum Corp., announced it will build its $60 million aluminum reduction plant near Bellingham, Washington.
>
> Intalco is a joint venture of American Metal Climax, Inc. (AMAX), Pechiney, a large French aluminum producer, and Howe Sound Co., in which Pechiney holds a substantial stock interest.
>
> Amax holds 50 per cent of the new company, with the balance shared evenly by Pechiney and Howe Sound.
>
> Engineering of the plant, which will have initial capacity of 73,000 tons annually, will be done by Pechiney and Bechtel Corp. The later will handle construction.
>
> Construction is to start immediately and first production is expected by the first half of 1966.

What is the reason for the establishment of this plant? It is to utilize future surplus Canadian power which is exported.

Then again, Mr. Speaker, I want to mention that this item provides for the destruction of Canadian natural resources in land, forests and 50 miles of sandy beaches, to which fact I have referred repeatedly and which the officials in British Columbia have said they could not find between Castlegar and Revelstoke. I

have been in the country nearly 60 years and know every foot of this valley, as well as fish life and recreational facilities along the Arrow lakes for a distance from four miles north of Castlegar to Revelstoke. This item also makes possible the violation of civil and property rights of approximately 2,000 Canadians under the unprecedented and Duplessis-like powers granted to the British Columbia Hydro and Power Authority by Bill No. 14, an act to establish the British Columbia Hydro and Power Authority, passed by the British Columbia legislature this last session. Section 53(1) of that act reads:

> Notwithstanding any specific provision in any act to the contrary, except as otherwise provided by or under this act, the authority is not bound by any statute or statutory provision of the province.

This act is an almost identical pattern of the Duplessis act passed in 1944 in Quebec. This act is now in operation in British Columbia. We all appreciate the fact that in Quebec, as a result of the protests of the Quebec trade unions, for which I give them credit, Premier Lesage is intending to amend the Quebec act so that public servants will have the opportunity to strike, with the exception of the police and firemen. I congratulate Premier Lesage for his forward looking attitude and his response to the trade unions. The British Columbia act is part of the development of the corporate state in British Columbia as a result of increasing control of our economy by United States corporations, and people with antidemocratic ideas.

My correspondence clearly indicates that the residents of Arrow lakes between Castlegar and Revelstoke are greatly alarmed at Dr. Keenleyside's statement of the policy of the B.C. hydro and power authority with respect to relocation and compensation of property owners who are directly or indirectly affected by the use of the funds provided by this item. I want to illustrate that by reading a letter addressed to the Prime Minister from the Burton and district farmers' institute of the Arrow lakes. I presume by this time the Acting Prime Minister has knowledge of this letter, and my speech from now on is an appeal to the government to do what it can to see that these people are treated in the same manner as people are treated by the national capital commission, as they were treated by the seaway authority and by all authorities in connection with the building of the Saskatchewan dam. The letter reads as follows:

[Mr. Herridge.]

Dear Mr. Pearson,

We are writing to you because we are very much disturbed about the trend of events in our Arrow lakes area regarding compensation and relocation of people to be affected by the flooding to be caused by the high Arrow dam. The federal government has voted for ratification of the Columbia treaty and we ask you to assume some responsibility before final ratification of the treaty to see that injustice and hardship do not occur to people who have already been upset and unsettled for many years because of the long uncertainty about the treaty.

Most of us do love our homes, and have put much into their making. Our properties have been artificially depressed in value because of these years of discussion about the treaty, and also by a lowering, several years ago, of most of the assessed values of property along the lake shore. Market value has, of course, been correspondingly depressed.

Following are some of the statements which have been made by the authorities in recent weeks which have so alarmed us that we feel we must write you and make this situation known to you. Needless to say, some of these statements are quite contrary to promises made by some politicians before the last federal and provincial elections.

R.W. Gross, manager, land division, B.C. hydro, in answer to the queries of a land owner in the district—

"I am afraid we cannot accept the principle that replacement value is to be paid for improvements affected by the Columbia developments.

The basis on which compensation is paid in Canada for private property required for public purposes is clearly established on the value to the owners principle.

Value to the owner is in almost all cases the same as market value. In addition to market value there would, in proper cases be added an allowance to cover disturbance and moving expenses...

In these circumstances, the public body is required to pay the owner what his property is worth, not what it may cost him to replace it.

The owner is entitled to be left in the same economic position in terms of cash or property after the taking as he was in before the taking.

An owner is not entitled to profit from the taking, which would be the situation if replacement value rather than market value were paid."

Dr. Keenleyside has repeated in public meetings these statements in substance. The statements were not well received by property holders. These statements of policy are far from reassuring to us, and it does not help to have Dr. Keenleyside say that of course the B.C. hydro would try to help us in getting financing for our new homes. Those of us who have good homes already paid for, or nearly so, can hardly be expected to welcome this opportunity to saddle ourselves with brand new mortgages along with our brand new homes. We are tired of hearing that our desperately hard won bottom lands are of little value when we know what a struggle it has been to get them, and how really priceless, in the world today, this land is. Those of us who are farmers know full well what we are losing.

We ask you to consider all this, Mr. Pearson, to watch and be informed on the situation, and not to forget the people in this valley.

Yours truly,

R. Oliver Buerge, secretary,
Burton and district farmers' institute.

I read that letter, Mr. Speaker, because the institute represents a number of farmers in the district. I also wish to quote one paragraph from a letter I received from a prominent Liberal who lives in Revelstoke, and I may say that on this question I have some good friends and supporters among Conservatives and Liberals who live in the Kootenays. The minister knows some of them. This letter reads:

> We hear, here, through a relative of the woman concerned, that the old Herb Fisher farm north of Sidmount on the west side of the river was purchased by hydro for $5,000, and that this included approximately 70 acres of land of which 30-40 are cleared, and the dwelling—probably worth at least $2,000. This being the case it seems to me that they don't intend to stop at anything short of outright robbery. We hear too that a farmer by name of Needham—

I know this farm.

> —located somewhere between here and 12 mile ferry has sold to hydro for a very low figure—he refused to divulge the price, saying that all his neighbours will be provoked for his having sold for a fraction of worth. Both of these people apparently wanted to get out for reasons of health and just took what they could get without question. Nice set-up.

I can tell you, Mr. Speaker, I have received a lot of correspondence on this issue, particularly since the treaty has been ratified by this house, and much of my correspondence is from older people.

Mr. L. Fotheringham of the Vancouver *Sun* recently visited the area and wrote an article in his paper from which I wish to quote briefly. This article was sent to me by Mr. W. T. Galt, the acting managing editor of the Vancouver *Sun,* who wanted to indicate to me his sympathy with the interests of these people along the lakes. I quote from the article:

> Perfect Retreat Will Vanish
>
> Renata lost its waterbound way of life. Now it will be swallowed by water.
>
> Its 100 residents are bitter, because they were sure they had found the perfect retreat from a world they didn't fancy.
>
> Renata is the only community for 50 miles on the west side of the lower Arrow lake. It is orchard land, famous for its cherries.
>
> Jake Reimer has been here since 1918. His home is the showplace of Renata, surrounded by a neat lawn and flowering shrubs. Rhododendrons in bloom contrast with the striped awnings. There are ten acres of carefully tended orchard out back.
>
> Words hardly express Jake Reimer's bitterness about the situation. "It's disgusting", he says, very quietly.
>
> Can't Pay For Peace
>
> Younger couples can be paid for their homes and can start over again elsewhere. But the older ones?
>
> How do you pay Jake Reimer and his wife for the 46 years of toil they have put into their home and orchard? How do you compensate Henry Epp, here since 1919, for the peace and quiet he will lose?
>
> Most of all, the older people fear being forced into becoming cave-dwellers in an apartment house in Castlegar or Nelson or some other centre that might as well be New York for any resident of Renata.
>
> The lake dwellers' resentment at the political wrangle that destroyed their bargaining power has been aggravated by some injudicious public hints that the affected people are just barefoot yokels anyway.
>
> One B.C. cabinet minister, in the heat of argument, dismissed the areas in question as muskrat patches. Renata would like to catch that cabinet minister and gorge him on their cherries.
>
> Dr. Hugh Keenleyside, the B.C. hydro co-chairman, was quoted as saying someone should go into these towns and bring the people out into the outside world so they could see what goes on.
>
> "That's the whole bloody point", fumes Peter Warkentin, a former Winnipeg school teacher who runs the store and post office here. "We're here because we don't like what we've seen in the so-called outside world."
>
> We Can't Start Again
>
> Tom Ryan is 89. He lives at Syringa Creek, on the east side of the lake, 20 miles up from Castlegar. He was on the way to San Diego from his job as bank guard in Lethbridge when he came upon this peaceful spot.
>
> That was 35 years ago. He hasn't budged since.
>
> "Where will I go?" says the old man in genuine bewilderment.
>
> "I don't like it. I don't like the whole business. No one has been to see me about moving. Where would I go?"

I mention these cases to introduce the human factor into this development and appeal to the Acting Prime Minister and the government to do what they can in this connection. The political chickens are already coming home to roost in the form of additional costs for the dams, costs in addition to the estimates we were given in committee, and in the government of British Columbia's uncertainty with respect to the sites, safety and cost of the dams, and in unhappiness and misery to the people directly affected.

Is there a single member of this house who would support these people being treated unjustly? Is there a single member of this house who does not think these people are entitled to be relocated in circumstances similar to what they now enjoy? Is there a single member of this house who does not think they should be relocated in entirety or if they prefer it, given compensation that is generous and just?

In conclusion I appeal to the government to use all its influence to make as certain as

possible that the Canadians who will be directly or indirectly affected by the expenditure under this item will be satisfactorily relocated or receive adequate compensation in cash if they so desire. We can never recompense people for the loss of a way of life in a beautiful valley which is the garden of Eden of Canada, but we are morally bound to compensate to the full for the lost material values. I think it is up to the government and every member of the house to do what they can to see that these unfortunate people are fairly and properly treated.

Beyond all developments and programs the true conservation of human and natural resources is ultimately something of the mind, an ideal of people who cherish and revere their past and believe in the opportunities of the future. Our Canadian civilization will be judged by its fidelity to this ideal as surely as by its parliamentary institutions, its system of justice and its culture. One of the contrasts of our society is that while our material standard of living has continually improved, our environmental standard is steadily declining because of a lack of consideration of these great values. While we have improved housing, are better nourished and have more varied entertainment, the terms of this treaty and what it provides for indicate that we are not qualified to inherit this land to the advantage of this and future generations.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, because of the very great length of time that has elapsed between the time the subject matter of the Columbia river treaty first came before the house and its recent ratification, I think it is perhaps understandable that members of the house are generally inclined to say "Thank God that is over at last," and to hope that we are not going to hear anything more about it for a long time. But I think we should realize that the mere ratification of the treaty by the house by no means brings this matter to an end, that in fact the real business arising out of the Columbia river treaty is just now starting and that the actual work of physical development is shortly to begin after all these years.

I think it is for this reason that the hon. member for Kootenay West, whose constituents I think most of us realize by now are the people most directly and immediately affected by the physical developments, has spoken out at this time in order to draw to our attention the situation which these people are now actually going to have to face after all this lapse of time. There was some discussion of this matter when the particular item concerning the Columbia river financing was before the committee of supply, and I was somewhat astounded to see a Canadian Press dispatch in the Vancouver papers which suggested that the discussion we had the other day constituted a filibuster. Surely any reasonably minded reporter, any reasonably minded Canadian, should not object to the fact that some members of the house at least are concerned about what is going to happen to these people. I hope the government of Canada and members of parliament generally will not refuse to recognize the moral responsibility we have and will not seek to pass off this matter by suggesting that concern for these people lies only with the constitutional jurisdiction of the British Columbia authorities.

So I have no apology whatever to make for rising to support the plea just made by the hon. member for Kootenay West. I happen to represent a constituency in the same province as the constituency of the hon. member for Kootenay West, but in many ways the actual development of the Columbia river valley, particularly from the point of view of its immediate impact, is just as far removed from my constituency as it is from those of members from the prairie provinces, the province of Ontario or the Atlantic provinces. Therefore I feel I am quite qualified to seek the support of members from all parts of Canada for the plea of the hon. member for Kootenay West.

Inasmuch as this was a matter that had to be dealt with by parliament, I suggest that if the financing provided in this bill is not sufficient to re-establish these people properly, and if the British Columbia authorities fail to properly discharge their responsibility in this matter, we in this parliament should not hesitate to indicate that in addition to the other financing required for the development of the Columbia river project, we expect the government of Canada to see that additional funds are provided in one way or another to ensure that justice is done to these Canadian citizens.

We have had strong differences of opinion as to the value of this treaty to the Canadian economy and the nation. The members of the New Democratic party have seen nothing yet to cause them to change their minds in respect to the position they took with regard to ratification. Nevertheless we have to accept the decision made by the majority of the members of the house, and we assume that

the works involved in the project are now going to proceed. But we do not intend to forget the responsibilities that we as members of the house have for the welfare of the people most directly involved. The hon. member for Kootenay West is quite right when he says there is no way of recompensing these people for some of the things they are going to lose. So far as it is financially possible to see that they are fully recompensed for the losses they are going to sustain, certainly not one of us should disagree with his contention that we should make it clear to them that we intend to see that they have at least that much.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should also like to add my words to those of the hon. member for Kootenay West, who has been so interested in drawing to the attention of the house some of the faults that have already come to light with regard to this matter. The federal government is being asked to advance money for the commencement of the development of the Columbia river. We are now being asked to provide a sum of money in Bill No. C-109, and it seems to me there should be a schedule attached to the bill setting forth the conditions under which the government of British Columbia will have to operate so far as expropriation is concerned. I wonder how many members of parliament would like to call the hon. member for Kootenay West a liar. I doubt if there are many who would; yet they are really saying he is lying, or they would not ratify this bill at the present time without some assurance that the abuses he says have taken place in the Kootenay would not be repeated.

In my opinion we have had some very favourable experience in the matter of expropriation in recent years. Most of the members who represent rural areas will know that this question affects rural people on many occasions. One occasion on which it affected both rural and urban dwellers was the case of the St. Lawrence seaway. I have been very proud of the way in which expropriation was handled in that area, because consideration was given at that time to the many things the hon. member for Kootenay West is requesting now. If you go through the area now you will find homes which might better have been demolished and rebuilt. However, consideration was given to the fact that we were uprooting people who had lived for a lifetime in these houses to which a lot of sentiment was attached so the houses were moved, sometimes at greater expense than the cost of demolition and rebuilding. However, the federal government, through the seaway authority did move these buildings and did give consideration to the matters which are now concerning the people in Kootenay West, along the Arrow lakes and the Columbia river section.

Many times this consideration is not given, as I know from experience with the water resources commission of Ontario. That commission decided to build a sewage lagoon near the town where I live. A real estate operator knew this and obtained an option on a farm in the area, the purchase price being $30,000. A year went by and the option was dropped. The water commission expropriated the farm and paid the farmer $16,500. Was the real estate agent who went out and valued that farm crazy? I doubt it. He is in the business and makes a good living, so he must have known the value of the farm and that at one time it was being considered for that purpose by the commission. The farmer has been told that if he does not like it he can appeal from the decision of the water commission.

Many expropriations have been made in which the compensation has been unfair, unreasonable and unjust, and no consideration has been given to the factors mentioned by the hon. member for Kootenay West. I think the minister is being unfair. He is asking us to appropriate this money, yet he is not giving us any guarantee as to what the expropriation process will be.

It is a fact that expropriation is a must in a civilized community. Expropriation is used for the good of the community. Obviously it is necessary to obtain land to provide for developments for future generations in Canada. However, I believe this power carries with it an obligation to the individual, an obligation which is covered by the bill of rights, and I believe it should be honoured. I feel hon. members should think about this because what they are really saying is that they do not believe the hon. member for Kootenay West when he says that Dr. Keenleyside is doing these things in British Columbia. Members are saying that these representatives are wrong in asking for protection. I think the question is that simple. I am sure the hon. member for Kootenay West is expressing the opinion of the people who live there.

It may be that those who own the land may only see a few years ahead and may well accept a few thousand dollars for a

property that may be worth a good deal more. You can easily understand the reason for this, because sometimes these people are browbeaten very badly. I should like to refer to the work done by some of the people connected with the trans-Canada pipe line when it went through my area. They told the people "You have to sign an easement or have to make these arrangements", and the people were paid a ridiculous amount for some of this property. After I advised the farmers not to sign or make arrangements because we would do this at public meetings, one of the agents said in a barber shop it had cost him $50,000 more for easements that week than it had the week before.

We have an obligation to represent our ridings and, in my opinion, we have an obligation to help other members represent their ridings properly. I strongly urge the minister, before this bill passes, to give us some assurance that the federal government is going to make some demands for co-operation in the setting of reasonable terms for expropriation of these lands along the Columbia river. I am in agreement with the hon. member for Comox-Alberni, and I personally am willing to support a demand for reasonable settlements for the people who are being displaced as a result of the treaty we ratified here.

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: On division.

Motion agreed to on division and bill read the third time and passed.

DOMINION-PROVINCIAL RELATIONS

PROVISION FOR REVISION OF FISCAL ARRANGEMENTS AND TAXATION PROVISIONS

The house resumed, from Thursday, July 9, consideration in committee of the following resolution—Mr. Gordon—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

[*Translation*]

Mr. Martineau: Mr. Chairman, last week, at the beginning of his statement on this resolution, the minister took the liberty of praising co-operative federalism. However, you noticed, Mr. Chairman, that his praises were brief and not very enthusiastic, and for a very good reason; indeed, the brand of co-operative federalism practised by the Minister of Finance (Mr. Gordon) and this government has proven to be a dismal failure. I do not think that I exaggerate when I say that such is the case knowing that responsible associations, for instance, qualified this new formula of national suicide.

In addition, it is readily realized that under this government federal-provincial relations have surely not improved. There is, for example, the increase of separatist and extremist elements within confederation; this is surely not an indication of real success for the formula advocated by the Minister of Finance. We also hear recriminations and grumbling on the part of the provinces due to the pitiful state of the fiscal resources allotted to them and to the deep misunderstanding of the present federal government with regard to provincial rights, on the one hand, and to provincial priority needs, on the other hand.

Mr. Chairman, as a result, federal-provincial relations are going through a serious crisis and there are many instances in support of such an allegation. For instance, there was the case which gave rise to several interventions in this house: negotiations concerning the transfer of responsibilities of Eskimo affairs in northern Quebec. What happened in that case? We were faced with a real dilemma, so much so that negotiations had to be interrupted and then definitely broken up, and I even think that the Minister of Northern Affairs and National Resources (Mr. Laing) does no longer recognize his colleague from the province of Quebec, the minister of natural resources, and is not on speaking terms with him.

We also witnessed new interferences by the central government into fields of exclusive provincial jurisdiction such as education, social welfare, property and civil rights.

Just recently, the right hon. Prime Minister (Mr. Pearson) announced that he had ordered an investigation or, if you wish, a pre-investigation into the matter of the interdependence of economic regions in Canada. But, as another indication of the incomprehension and of the indifference of the central government towards the provinces, the latter were consulted beforehand concerning that investigation which is under way and were not invited to take part in it, so that the premier of the province of Quebec, Mr. Lesage, stated that no investigation ignoring in such a way the interests of the provinces could be serious or give any result.

Mr. Chairman, those are only a few indications of the total and complete failure of that formula announced with much fanfare by the members of the administration, the Secretary of State (Mr. Lamontagne), who is not here, the Minister of Finance and the Prime Minister himself.

But it is not enough to acknowledge the failure of a formula. We have to look for the causes of that failure. Why is the co-operative federalism formula not successful with this administration which is, in fact, backed by many provincial administrations professing the same political doctrine as this government? It is because this formula is not invigorated by a thoroughly autonomist attitude or view. In other words, those people preaching autonomy, decentralization and co-operation, are not imbued with the need for that co-operation.

As a matter of fact a good number of ministers are in favour of centralization and have been for a long time; they were high officials in the wartime and the following government, which certainly was, in the opinion of all observers, the most centralizing government this country has ever known. It is probably normal that those people should still follow the same direction and that, when they profess a conversion, it is only a surface confession or conversion. In short, those people who are full of that centralizing and monopolizing spirit would like to concentrate, in defiance and in violation of the constitution, the real powers here, in the central government, which would then be directed by a superstructure of permanent high officials not accountable to the people.

That is one reason for the failure, but there is also the obvious lack of co-ordination and common agreement which mars the government's efforts to settle the problem.

Another reason is the fact that many of those who sit on the government benches have a misconception of the principle of federalism. Numerous facts bear out that statement.

Our constitution, the B.N.A. Act, clearly defines federal and provincial jurisdictions and gives direct responsibilities to each level of government.

That is the constitution. Now, what did the government do? They decided that the constitution was not so important and they proceeded with what they would like to be a clever plan under which there would be an agreement to depart from, and do violence to, the constitution.

But is it really possible, through an understanding or an agreement, to transgress the letter of the constitution? I do not feel that this is sound federalism; neither is it co-operation along the lines intended by the government.

A meeting is called and it is decided to launch a large number of joint plans ostensibly because the Canadian people have to be provided with some services, and once the consent of the reluctant provinces has been obtained, thanks to promised subsidies, the program is launched, but a loophole is provided, in order to give compensation to the provinces that do not agree or do not deem it advisable to participate.

This is the new contracting out formula which enables a province to refuse to take part in a joint program, without incurring fiscal penalties.

Of course, the contracting out formula is certainly useful, as a last resort. I favour the use of this formula instead of merely penalizing a province which does not participate in a joint program; but would it not be better simply to sit together someday and discuss the limits of the various responsibilities and afterwards respect such divisions? Moreover, there would undoubtedly be less conflicts if there were such negotiations. There would not even be any reason for options.

That is why I think this option formula is a mistake and can only lead to greater difficulties because these shared programs thrusted on the provinces are likely to frustrate the priority of provincial needs, for, under the guise of a shared program, a province is forced to undertake certain projects which may not meet its immediate objectives; thus, subsidies which might be used for certain projects which that province considers as extremely more important, must be used for this shared program. And if it is not done, there is a penalty, a series of conflicts which entail consultations and conferences summoned hastily, which may be a makeshift but cannot provide a permanent settlement in that conflict concerning federal-provincial relations.

At the outset of the debate on this resolution, mention has been made of solutions that must be brought about concerning this jurisdictional conflict in order to put an end to the real uneasiness which might lead eventually to the end of our confederation. Some persons wondered, quite sincerely, whether the fact of claiming on the one hand the respect, the upholding of the constitution was compatible

with that attitude, on the other hand, which consists in calling for complete revision of the constitution, in order to amend it and transform it into a tool really suitable to present needs.

In my opinion such an attitude is not unreasonable. Provisions of the B.N.A. Act specify certain rights that are inalienable. They set for instance the jurisdiction of the various authorities, and sections 91, 92, 133 and others recognize certain rights to the French language and to the French Canadians, an essential element and an equal partner in confederation.

Mr. Chairman, it is obvious that the rights granted by the constitution are inalienable, except with the unanimous consent of all parties. Everybody agrees on that point. Besides, it follows that the constitution, in its present state and as long as it exists, must be fully respected. In addition, it is not illogical to hope for a possible meeting in order to discuss the constitutional amendments which are deemed necessary, nowadays. That is why the stand taken, for instance, by my Conservative colleagues of the province of Quebec is logical and justifiable. We want to respect the constitution, we want the government to legislate within its fields of jurisdiction, as determined by the constitution. But it is our hope and our wish that some meeting will take place, that there will be a true dialogue in order to amend what should be changed, to eliminate the uneasiness which corrodes the constitution, as well as the whole country.

Mr. Chairman, we certainly ought to make an effort to obtain the unanimous agreement of the federal government and all the provinces in order to bring home the constitution, and then amend it to make the required adjustments between the expectations of 1867 and the realities of 1964.

Therefore, I think that the proposal of convening a federal-provincial conference, to discuss and try to obtain a favourable agreement in this matter, is a sound and well founded suggestion, and, moreover, I maintain that we should not hesitate to hold this conference, because I think the matter should be settled before the start of the centennial celebrations three years hence.

I even believe that the framework of this federal-provincial conference should be enlarged so as to represent a true constituent assembly which would not only have deliberating power but enough legislative authority to shape the new organization which is needed. Therefore, this conference should of necessity be attended by the elected representatives of the people, whether on the federal or the provincial level.

Yet, if such talks are to succeed, they should necessarily be preceded by lengthy preparations so that every detail may be ironed out.

To pave the way, I would suggest, for instance, that interprovincial conferences be held. Such action has already been taken, and provinces often meet to discuss their common problems. I think the time has come for the provinces to meet and discuss among themselves whether amendments to the constitution are possible and what they should be. Those conferences should also be preceded by the setting up of constitution committees in the various provinces. In that respect, the Quebec government has already taken the initiative. It has established a constitution committee which is seriously examining all aspects of the problem and it will certainly be soon in a position to submit a report that should prove most useful to the federal government and the provinces.

A thorough study should also be undertaken by high government officials in connection with that problem and all its ramifications. More frequent and more extensive consultations should be held between representatives of the federal government and those of the provinces. There again, I suggest that committees of constitutional experts be set up not on an ad hoc basis but permanently because the government which will be in power one, two or three years hence, will obviously have to tackle the problem if it wishes to solve it. It should then be able to call on such experts for advice.

Mr. Chairman, it has already been suggested—I think it was the hon. member for Three Rivers who mentioned it—that the Senate be transformed into a constitution committee. Here is also a most welcome proposal which, I feel should be implemented as soon as possible. In addition to the Senate constitution committee, I would suggest the establishment of a special committee of the House of Commons, which would work with the constitution committees of the Senate and of the provinces.

Of course, the members taking part in this federal-provincial conference ought to be the elected representatives of the people who should not be deprived of their real responsibility if the democratic system is to endure.

Mr. Chairman, the part played by this conference, this constituent assembly, would be to define the status of confederation when it enters into its second century.

Mr. Chairman, to criticize such a suggestion before ascertaining the enormous possibilities it may have is deplorable indeed. Should the conference, or those who take part in it, be really conscious of the seriousness of the problem they face, should they show willingness to solve it, I believe that such a conference could become the most important project of the centenary we intend to celebrate three years hence.

Mr. Chairman, before concluding, may I be allowed to make one or two observations. First, a warning: I do not believe that constitutional innovations in themselves will be able to solve the basic problems which this country is facing. Those are rather economic and social problems and, here, I would say that any solution that does not take into account certain factors would only be illusory and doomed to failure. The first of those factors which I have in mind is that the conference will have to acknowledge the French fact in Canada and recognize that any nation is entitled to self-determination. That conference and those who will be responsible for the settlement of the constitutional issue will have to be aware of the new face of Quebec and its reasonable aspirations.

Often we are asked what the province of Quebec really wants. Mr. Chairman, I could answer this question by asking another. What does any nation want, be it the French Canadian nation or the English Canadian nation? And the answer to the latter question is very easy: the French Canadian nation—or Quebec—simply wants to be itself. In my opinion, this is the true answer to the latter question, and I believe that in wishing to be itself, Quebec must take into account, and be aware of, the dual trend of ideas abroad in the world today.

On the one hand, we witness the surge of nationalism, with the emergence of a great number of nations, African and others, who are declaring their independence. On the other hand, it should not be forgotten that there is also a new awareness, within the French Canadian nation, of the universality of the human community of which it is a part, and it is on the universal and human front that the Quebec nation wants to play its part, while remaining what it is, and while evolving, according to the great tide of political universalism which is sweeping the world.

In conclusion, I say that if the constitutional and other innovations would once and for all recognize the aspirations of Quebec, I am convinced that, then and there the French Canadian nation would be ready to assume its full part as equal partner in the confederative achievement. In fact, in Quebec, some voices have already made themselves heard, speaking authoritatively and pointing the way.

The manifesto for functional policies, which appeared recently in *Cité Libre* of May 1964, shows that the most important task today is to open the frontiers of Canadian society. Needless to say, by that is meant the whole Canadian society. In that remarkable manifesto, which is not well enough known, it is said among other things:

> A plurality of ethnic groups have to learn to live together: modern challenge full of significance.
>
> To recognize one's inability to make the Canadian confederation work is, at this stage of history, to recognize one's indignity to take part in world politics.

Those are, Mr. Chairman, objectives worthy of the most serious attention of all hon. members and on that I will end my remarks.

Consequently, I ask the present government to get rid of its false cloak of co-operative federalism, to examine the problem closely.

Some hon. Members: Oh, oh.

Mr. Martineau: You can laugh at that but the uneasiness which is felt at the heart of our confederation does not warrant it.

I am asking this government, which up to now has shown too much evidence of incompetence and wavering, to settle the basic problem while it may not be too late by taking the true facts into account and by treating, at last, the Canadian nation, and Quebec, in particular, as a people composed of adults.

Mr. Drouin: Mr. Chairman, would the hon. member permit a question?

Mr. Martineau: Surely, Mr. Chairman.

Mr. Drouin: Mr. Chairman, when the hon. member says that representatives of the people should be convened at a federal-provincial conference, would he tell the house if he is referring to the federal and provincial governments and all elected members, including members of the opposition, in this house as well as in the various provincial legislatures?

Mr. Martineau: Mr. Chairman, in my opinion, it is the duty of the hon. members forming the majority to take the initiative of

convening such a conference and to invite members of all other parties, in an advisory capacity. I should like also to add that this conference should include an advisory committee composed of the best brains of our country, to give adequate assistance to the government in its difficult task.

[*Text*]

Mr. Pugh: Mr. Chairman, is the minister answering questions now?

The Chairman: We are in committee at the moment.

Mr. Pugh: Mr. Chairman, although the minister in his speech brought out most things fairly well, I am just wondering whether he would state in his closing remarks if—

Mr. Bell: No, he is not closing. We are in committee.

Mr. Pugh: Then would he tell us whether as a result of this conference all provinces were in agreement? The second point I want to bring out is this. According to the table at page 5184 of *Hansard*, if you look at the totals brought forward under the first heading, the total for 1964-65 is $87 million plus, of which Quebec receives a total of $42 million plus.

Then in 1965-66 the dominion is $171 million plus of which Quebec is $73 million plus. Again, in 1966-67 the total is $264 million plus of which Quebec is $107 million plus. These are changes which the tax is going to make, and I am wondering why there is such a large rise in the Quebec portion as against what I have marked off for Ontario and for British Columbia.

With regard to the natural resource abatement there is a note at the bottom of the page which reads:

> Calculated for Alberta and B.C. on assumption that there would be no equalization as a result of the natural resource revenue adjustment.

I was wondering how far ahead the minister was looking, and I was thinking about B.C. which is developing rapidly at present. If there is a tremendous increase in B.C.'s position in the future I was wondering whether the federal government could make an adjustment at that time.

The per capita totals which are derived from the natural resource are given in the minister's speech. B.C. shows a very reasonable amount. Alberta, of course, is the highest but then it comes away down, not to the have not provinces but to the provinces which, per capita, do not produce very much by way of natural resources. The question on this is, what about the future of a rapidly expanding province with rather large resources to be developed?

Mr. Gordon: Mr. Chairman, I think it might be helpful if I said a word or two at this point and cleared up a few of the questions that have been raised. The committee will remember that on Thursday the right hon. Leader of the Opposition ranged rather widely over time and space. I was interested in his historical references, especially in those that pertained to the late 18th century and to the dispute between Fox and Burke, two cabinet colleagues. I understood the right hon. gentleman to say they had been bosom pals until they had a dispute about some matter of great importance.

Mr. Diefenbaker: They were not cabinet pals. If the hon. gentleman had read my speech he would know they did not belong to the same cabinet.

Mr. Gordon: Well, after that they never spoke again. I suppose this sort of thing has happened in the past; I dare say it has happened even in Canada, but I hope it will not happen here again.

In his speech the Leader of the Opposition referred to some of the problems facing Canada and to the desirability of clarifying and resolving federal-provincial responsibilities and tax sources. He suggested calling some sort of national conference at which all federal parties represented in this house would be present, together with all the provincial governments. Whether this would prove to be an effective method of resolving the problems we are faced with, or whether it would only resolve itself into another forum for making speeches is a matter of opinion. I am afraid that a conference at which both the federal and provincial governments were represented, together with all the parties in all the legislatures, and all the parties in this house, would be doomed to failure from the start. Even if the conference were held in camera I am sure there would be a lot of speeches, as sometimes there are leaks. With the greatest respect I feel it is not more speeches we need in this area but more thought and more action.

Mr. Diefenbaker: There can be no disagreement with the hon. gentleman on that.

Mr. Gordon: Let me remind hon. members of what the Prime Minister has suggested should be done in this connection. I think most hon. members will agree that the Prime

Minister has indicated an instinctive understanding of the strains in our confederation, and especially of the changes that are going on in the province of Quebec.

At the federal-provincial conference on March 31, which continued until April 2, the Prime Minister proposed that a tax structure committee be established by the conference itself which, after study, would report back to a federal-provincial conference which would be called together for that purpose. Presumably this tax structure committee will consider a variety of fiscal matters, including trends in government responsibilities and expenditures, the sharing of expenditures by the two jurisdictions, the tax structure in Canada in both the federal and provincial jurisdictions, and the fiscal capacity and fiscal needs of the provinces. Not the least of these questions, of course, is the troublesome problem of an equitable fiscal adjustment, or equalization formula.

The committee will be assisted in its work by the reports of various royal commissions, federal and provincial, that are nearing the end of their labours. It is to be expected that the conclusions of the tax structure committee can be reported to the federal-provincial conference, or to a special federal-provincial conference, and implemented prior to the expiry on March 31, 1967 of the present fiscal arrangements with the provinces.

All of us who have been engaged in matters touching upon the responsibilities of both federal and provincial governments in recent years realize that we must take serious account of the views of one another in this field. We realize also that these views differ as between provinces and as between individuals; and that views have changed over the last 20 years.

The depression, the war and the post-war expansion all contributed to one of those historic waves in which the federal government could naturally assume a degree of leadership which extended beyond the fields of responsibility contemplated by those who created and interpreted our constitution a century ago. This broader initiative from the centre was in accordance with the mood prevailing throughout the world at that time and served, I submit, a very useful purpose in meeting many of the economic and social problems of the time and in bringing about substantial advances in these fields.

It was only natural, however, as the effects of the depression and the war were left behind and the normal processes of peacetime were resumed, that provincial governments should gradually regain a greater share of the initiative and the ideas that are shared by all progressive people in public life in this day and age. This reassertion of the provincial role has been helped in recent years by the assistance the provinces have received, both technical and financial, in building up the fiscal and technical capacity of their governments to carry their responsibilities in accordance with the more dynamic role people now expect their governments to play. This has been combined in the last several years with a renaissance in the province of Quebec which has naturally emphasized the role of the provincial government there not only in accelerating the retarded development of the resources and services of that province but also as the logical exponent of the views and aspirations of French speaking Canadians.

Given this historical and constitutional context, we must all recognize that some adjustments must be made in present relationships between the federal and provincial governments, adjustments that involve some flexibility and mutual understanding. This is the essence of the co-operative approach to federalism which the Prime Minister has been urging upon all of us.

Failure to recognize this need for flexibility in our approach to federal-provincial relations would contribute to discord in sections of the country where irresponsible groups are seeking, not to encourage an understanding between French and English speaking Canadians, but rather to make such understanding difficult. The adjustments needed should be reflected in arrangements such as those we have been discussing in connection with this resolution as well as in the more fundamental questions of sharing tax fields and the payment of equalization grants. I should add that this same subject, or if you will, this same problem, will come up again when the time comes to discuss the question of shared cost programs and the ways in which full responsibility for certain of them should be turned over to those provinces that are anxious to assume them.

In the last analysis, the best solution of some of our difficulties may be to turn over to the provinces full responsibility for certain well established programs which are now being administered by the provinces in any case. It may be that as a part of this best solution the provinces should levy their own taxes to finance these programs subject, of course, to the continuation of some form of

equalization payments. Speaking as the federal Minister of Finance, it is a thankless task to levy federal taxes merely to provide the provinces with the funds they need to pay for the programs they administer.

Mr. Diefenbaker: Would the minister allow a question? What particular programs has he in mind? He has generalized, but could he particularize for a moment?

Mr. Gordon: I think it would be premature to particularize. I am sure the right hon. gentleman is aware of all the shared cost programs. There is a great multiplicity of them and these will be the subject of pretty intensive discussions with the provinces in the months that lie ahead.

These are the kind of subjects, Mr. Chairman, that I hope the proposed tax structure committee, which is being constituted as a result of the agreement reached at the last federal-provincial conference, will grapple with. In doing so, we must take care that the federal government retains sufficient power in fiscal matters to enable it to influence the economy in one direction or the other when this is called for. But I see no reason why certain changes that are clearly needed in the light of present circumstances cannot be instituted in a way that will leave the central government strong enough to perform the functions that rightfully belong to it. Among other things the central government must continue to be in a position where it can take the initiative in fiscal policy, commercial policy, monetary policy and debt management. In other words, the central government's responsibility for the economic policies of the country as a whole must not be interfered with.

Quite obviously, Mr. Chairman, questions of this importance cannot be disposed of in a brief debate such as we are engaging in at present. I think, however, that in considering some of the more or less short term measures encompassed in this resolution hon. members should appreciate that the government is planning to seek more permanent solutions after full examination and discussion with the provinces.

In his remarks the hon. member for Burnaby-Coquitlam—I am sorry he is not in the house—made some caustic comments, if I remember correctly, about the proposals being put forward to ease the financial position of the provinces. If I recollect correctly, in talking about the changes in the equalization formula announced after the November, 1963 conference he referred to "cooking the formula to get a specific result" and he also talked about "rigging". Speaking as a chartered accountant, I hope these expressions were not intended to cast aspersions on my professional purity.

Mr. Diefenbaker: What was that word?

An hon. Member: Perish the thought.

Mr. Gordon: The first word was "professional" and the second was "purity".

Mr. Winkler: We will go for one but not the other.

Mr. Gordon: I will confess, however, that I have never been one of those who put too much stock in technicalities or who believes that any formula necessarily will be appropriate forever. In listening to the hon. member for Burnaby-Coquitlam it seemed to me that those who have received their early training in theology approach things rather differently. There seems to be a sort of ingrained feeling that any change is heresy. I should like to suggest that this display of faith in a kind of arithmetic dogma is unsuitable in this connection.

Mr. Pigeon: Was the minister thinking about specialists in economics like the Secretary of State?

Mr. Gordon: I did not know that the Secretary of State had received early training in theology. I knew he had studied under some very well known and respected theologians.

Mr. Pigeon: He changed religions many times.

Mr. Gordon: The hon. member knows more about him than I do. It was my responsibility over 20 years ago, Mr. Chairman, to assist the then minister of finance in negotiating the original wartime tax deals with the provinces, including the province of which very shortly afterwards the hon. member for Burnaby-Coquitlam became the premier.

Mr. Diefenbaker: Was that the tax rental agreements?

Mr. Gordon: The right hon. gentleman asks me if it was the tax rental arrangements. It was not what are known as the tax rental arrangements. It was the one that came first. Even in those days it seemed to me there was at least something to be said for keeping an eye on the final results, as well as on the highly complex calculations which supported them. I submit that looked at in that way it must be obvious that the changes

contemplated in the fiscal arrangements with the provinces, which are provided for in this resolution and will be incorporated in the bill to follow, will be highly beneficial to all of them. Every province will gain from the proposals. As I said a few minutes ago, it would be my hope that the tax structure committee of the federal-provincial conference will be able to devise an approach to this whole difficult and aggravating problem that will be a little easier to understand.

In the meantime, while I do not suggest the present formula for equalization is perfect by any means—I am not sure that any such formula could be devised that would be perfect in the full sense of that word—it is one which has been agreed to by the federal government and accepted by the provinces, albeit with some reservations.

Mr. Diefenbaker: Will the minister allow a question? When did the change take place on the part of the Liberal party which promised that equalization would be determined on the basis of the highest provinces? When did the change take place to have equalization based on the level of the two provinces, because in both elections the promise was that equalization would be determined on the basis of the top province?

Mr. Gordon: I am delighted to have the opportunity to answer that question and, I hope, to settle it in the minds of all hon. members of the committee for all time. The purpose and intention of the proposal by the Liberal party was to equalize up to the level of Ontario, which was generally understood, and which is, the number one in terms of per capita tax revenues. The reason for changing this to the top two, which at the present time are Ontario and British Columbia, is that if you make a careful study of the figures you will see that it could happen that in one year or another British Columbia or some other province might have higher per capita tax revenues than Ontario, in which case the whole calculation would be thrown out of kilter. I have not got all the calculations with me, but I shall be glad to get them and send them to my hon. friend. It was certainly clear that this would result or could result in wide fluctuations from one year to another, which were not contemplated and were never intended.

It seemed, therefore, better, after studying the detailed calculations and after considering the implications, to equalize on the basis of the top two which would presumably include Ontario, at least for a good many years to come, rather than the top one.

Mr. Diefenbaker: This still does not answer the question. When did the hon. gentleman, having advocated the other course and his leader having done the same—that the proper way was to level on the basis of the top province—finally adopt the course of reason and common sense which he says is now being followed?

Mr. Gordon: I was trying to make the point a little earlier, Mr. Chairman, that one can benefit from close and detailed study. It was for this reason I thought the right hon. gentleman's proposal for a massive study in which all governments would be represented and all political parties, was a rather woolly idea, if I may say that.

Mr. Winkler: Does that mean the Liberal party did not study the matter before putting forward the proposal?

Mr. Diefenbaker: I do not want to get into a controversy with the hon. gentleman on woolliness, especially after the budget he produced. I ask him, when did his woolly idea of levelling up to the top province change to a basis of levelling to the two top provinces?

Mr. Gordon: First of all I should like to say, as an old sheep farmer, that when I said "woolly" I did not mean it in any offensive sense. It is a term of endearment amongst those who are in this business.

In answer to his particular question, we naturally approached this federal-provincial conference with an open mind and a desire to study and benefit from what we heard there. It was about that time, I think, that we decided this would be a much better approach.

Mr. Winkler: Does the minister's statement mean that the initial promise made by his party was made without any study by the Liberal party prior to the promise being made, which has become the usual thing rather than the exception?

Mr. Gordon: I think that is a presumption that would be a little far fetched, Mr. Chairman.

If I may continue—

Mr. Brewin: I wonder if the minister, in the course of his remarks, will answer a question put to him by the hon. member for Burnaby-Coquitlam, as recorded on page 5257 of *Hansard*. The hon. member referred to the fact that natural resource revenue would be

taken into account when computing equalization payments. As I recall it he pointed out that this was in effect penalizing the provinces which are making the maximum use of their natural resources. Will the minister answer that question for our benefit at some stage?

Mr. Gordon: I believe I have answered this question, Mr. Chairman, in more general terms. We were trying to find a formula that would be fair and equitable, and it seemed to us it would be unfair and inequitable if revenues from this particular source were left out completely from the calculations. I believe this is not a new idea. It may have been done in a different way, that is all.

As I said a few minutes ago, it will be one of the purposes of the tax structure committee to try to evolve a formula for equalization that will perhaps suit more people than the present one.

Mr. Leboe: May I ask the minister, is it not a fact that this attitude towards the development of resources is going to make it advantageous for some provinces to sit on their resources rather than to develop them, and reap the benefits in payments coming from those provinces that have developed their resources? This seems to me a very wrong approach.

Mr. Gordon: I would not think it would have that effect, no. I believe there is room for a difference of opinion on these matters. Certainly the present formulae are not perfect. I do not believe any will be devised that everyone will claim are perfect. I think it will be the purpose of the tax structure committee, as I have said, to study the point that my hon. friend has just raised and all the others that will be raised during the course of the deliberations of that committee.

Mr. Diefenbaker: Will the minister then say, if he is not certain now of the efficacy and propriety of what is being done, why he did not wait until this committee reported?

Mr. Gordon: I think that is a very simple question to answer, Mr. Chairman. In order to go into this matter in detail, the committee will take some time. The government believed it was important to meet the points that have been raised by the provinces now rather than in two or three years time.

There are just one or two other points that were raised in the course of the debate upon which I should like to touch. I am not going to try to deal with all of them, by any means. The hon. member for Burnaby-Coquitlam suggested there should be an annual meeting of federal-provincial finance ministers to discuss and co-ordinate economic and fiscal policies. I agree that this is a good idea. It is an idea that has been accepted by the provinces. The first meeting of the federal-provincial finance ministers was held last November during the course of the federal-provincial conference. It was agreed that they would meet annually. I am hoping that there will be a meeting with the provincial finance ministers some time in the late fall.

The hon. member for Red Deer raised a question about our whole financial system, and as he dealt with it in considerable depth I suggest it might better be discussed when the revisions of the Bank Act are before the banking and commerce committee.

Mr. Leboe: I wonder whether the minister would not admit that this is a very suitable time at which to answer these questions and that an answer should not be deferred until some time in the future. Surely the committee could be given answers to the simple questions which were asked. I think they are important to the consideration of the resolution which is before us and the bill which is to follow.

Mr. Gordon: With respect, it seems to me that since this whole question will be gone into in detail in the context of the revision of the Bank Act and the Bank of Canada Act, and in the light of the report of the royal commission on banking and finance, these more fundamental questions could be dealt with better at that time, as well as in a more orderly way.

Mr. Leboe: I do not like interrupting the minister, but in my opinion it is scarcely enough to say that these questions can be dealt with in a more orderly way on some future occasion. It should not be difficult for a department to provide answers to them, and I think the real point at issue is whether or not the minister wants to give the information. I suggest to the hon. gentleman that in all fairness to the committee these questions should be answered, and not put off until some future date.

Mr. Gordon: I am afraid I did not feel that some of the questions were related to the subject matter of the resolution. I was about to say that the hon. member for Red Deer had, for example, suggested there should be an entirely new system of taxation in Canada. Before commenting on that proposal I should like to have the benefit of the report of the

royal commission on taxation which has been studying this very question in great detail for the past two years.

Several other members made interesting contributions to the debate, including the hon. member for Pontiac-Témiscamingue. I hope they will forgive me if I do not comment on their observations individually. I point out there will be another opportunity to deal with these matters on the second reading of the bill.

Mr. Lambert: Before the minister resumes his seat, may I remind him that I did raise a particular point. It had to do with natural resource revenue and what I felt was an unfair lumping together of capital moneys and annual revenues. It affects the province of Alberta more than any other.

I was at great pains the other night to set out the situation and I should like the minister to give me some explanation, since this is of great interest to the province of Alberta, and likely to Saskatchewan, depending on how that province handles its natural resource development. These capital moneys to which I referred result from what is in effect the alienation of a natural resource, and these once-for-all sales are in no way income revenue on a recurring basis.

Mr. Gordon: I wonder if the hon. member would allow me to give an answer to that particular question on second reading. I am having a calculation prepared but I am not quite ready to deal with it today.

Mr. Pugh: The question I have for the minister actually is in regard to the provinces on this point of resources. Did this financial suggestion come from British Columbia or Alberta or was it suggested to them? What was the discussion on it at the time of this conference. The hon. gentleman made mention of it at the beginning of his speech on July 7. He said, as reported on page 5181 of *Hansard*:

> In the past year or so the amount of federal-provincial consultation has been increased very considerably. ...We have had two federal-provincial conferences which have dealt with a range of matters including the important question of tax-sharing...
>
> As a result of these consultations and our consideration of the financial problems of the provinces the government has come to the conclusion that the fiscal relationship with the provinces was in need of modification...

What I am wondering about on this resource point is this: Other ways have been suggested by myself, but it does seem to me very important indeed that when we are about to embark on a tax sharing agreement that is less promising we should know where British Columbia stands in relation to an ever expanding national resource program. It has been pointed out that such a program is extractive. In making greater use of your resources, in the forestry industry you use up your resources; in the oil industry you use up your resources, and it seem a little unfair the government has taken those two provinces, Alberta and British Columbia. Was this the suggestion of the provinces or of this government, and if it was of this government did the provinces resist such an idea?

Mr. Gordon: I would first refer the hon. member to the table which was printed in *Hansard* on July 7 in which he will see that under these changes the province of British Columbia will receive more than $16 million more per annum in 1966-67 than it would have received if these various changes do not take place. By the same token he will see that Alberta will receive more than $9 million more than if these various changes do not take place. Obviously, as is shown by the table, if no adjustments were made on account of natural resources revenues the increased amount to be received by British Columbia and Alberta would be even greater. That is a fact. There is no question that various changes, various formulae, could be suggested which would produce larger additional revenues to British Columbia and Alberta, or to any of the provinces if these were thought necessary, or desirable, or responsible. However, as I have pointed out, these changes will mean that the provinces as a whole will receive some $265 million more each year and the federal government will receive some $265 million less each year than would have been the case had no adjustments been made. So, with respect, I do not favour any formula which would increase these amounts even more than they are as set out in the table.

I think it is perfectly obvious that neither of the provinces mentioned volunteered or recommended a formula which would reduce what otherwise would be coming to them, but I again refer to the fact that both these provinces will receive a substantial amount additional to what they would be receiving if no changes in these arrangements were made. I think anyone is entitled to say that a particular formula would be better than those outlined here. But these are the formulae to which the federal government was prepared

to agree, and these are the formulae which will be encompassed in the bill to be presented in due course.

Mr. Pugh: If I might just go on with this in perhaps a piecemeal fashion, I take it we have dominion-provincial relationships and this has been stressed by the present government. I asked the question as to who suggested this portion of the formula stipulating the handing of 50 per cent of resource income over to the federal government? I asked the question, was it suggested by the provinces or was it suggested by the federal government? If I cannot get an answer to that—

Mr. Gordon: I will give you an answer.

Mr. Pugh: Then whatever the answer is, did the provinces agree to this arrangement? Also, to what extent did the federal government and the provinces explore this idea?

Mr. Gordon: In the first place, Mr. Chairman, I want to correct one remark of my hon. friend right away. There is no thought whatever, and it was never intended, that part of the resource revenues would be turned over to the federal government. All that has been suggested is that half the total of the resource revenues should be taken into account in the calculation of the equalization payments that would otherwise be payable to what we all recognize are two of the wealthier provinces of the nation.

The hon. member asked me where these proposals originated, Mr. Speaker. It is a responsibility of the federal government to make such proposals. These proposals were put forward by the federal government to the conference. It has never been the custom, in recent years anyway—it certainly has not been for some time—to ask for formal agreement on the part of the provinces. I am not sure that that idea would speed things up exactly. What is done in practice—as I am sure the Leader of the Opposition would agree if he were here—is that after discussion the federal government finally has to make a proposal, and if it is not considered to be too unreasonable or unfair, it is the proposal that is adopted. But nobody says, "Will you please sign on the dotted line and agree?" I suppose some measure of agreement is indicated when the provinces accept the cheques that are paid to them every quarter or every month.

Mr. Pugh: Getting down to what I want to find out, Mr. Chairman, would the minister answer this question. Did the province of British Columbia and the province of Alberta, on this proposition being put before them, agree with it, or were they against it? Did they express any dissatisfaction with the idea?

Mr. Gordon: I do not think it is customary, Mr. Chairman, to state what goes on in detail at these federal-provincial conferences. After all, they are held in camera and it is agreed ahead of time that any statements—certainly at the last two conferences this was agreed—shall be deferred until the end of the conference, and then a communique is issued. After that the individual premiers are free to comment as they so wish. I have not a record of what Mr. Bennett and Mr. Manning said after the conference. I remember Mr. Bennett being very pleased about one item in these calculations, and that was to make the additional 25 per cent of the estate duties or succession duties available to the provinces.

Mr. Nielsen: Mr. Chairman, throughout this debate I have heard reference after reference made to "the provinces", reference after reference made to "federal-provincial fiscal relations" and "federal-provincial conferences", but not one word have I heard with respect to the application of fiscal theories or formulas to fiscal problems in the Yukon Territory and in the Northwest Territories.

I think I could do no better than cite at the opening of my remarks a passage from a royal commission report with which I am sure the minister is familiar, that on Canada's economic prospects which the minister headed up some years ago. At page 413 of that report, in the chapter dealing with the development of the north there appears this passage:

> There is widespread recognition in Canada that the northern reaches of the country, including the northern sections of the provinces as well as the Yukon and Northwest Territories, constitute a new economic frontier. Northern Canada today and tomorrow may be what the west was in the earlier period of our history. It not only offers attraction to those in search of adventure and fortune but it has seen industry become interested in these areas as a long term source of basic materials.

I am sure the minister is aware that the Yukon has its shared cost programs, too, as does the Northwest Territories. While the forms of government are similar, there are some rather striking constitutional differences. In the first place, the Yukon has a wholly elected council and all matters concerning supply must be voted on by that council before a penny can be spent. I have asked in this house of the Prime Minister and of

others on several occasions whether provision was made, in the procedural approach of the government, to the inclusion in these federal-provincial fiscal conferences of representation by the government of the Yukon territory either as a participant or by way of an observer to sit in, so that first hand advice could be given to those who have the responsibility of making decisions which affect shared cost programs.

One does not need to stop at one department, the Department of Northern Affairs and National Resources, when considering the fiscal problems besetting the north, and the Yukon particularly. You can run through all government departments that have anything to do with human development and industrial development in the territories. Health and welfare, for instance, with hospital insurance programs and Canada pension plans to which the Yukon taxpayer, and the northern taxpayer generally, pays by way of contribution; Indian affairs, where the Yukon taxpayer also bears a burden regarding the programs implemented; the Secretary of State and his responsibility to report to parliament on the activities of the B. and B. commission. That commission has not yet visited the north country, yet the people there have very distinct views on confederation and the problems besetting Canada today. There is the Department of Public Works, with a huge responsibility that affects our economy very decidedly in the Yukon since the transfer of the jurisdiction for the maintenance of the Alaska highway from the Department of National Defence.

In the field of veterans affairs, Legion organizations and other veterans in the Yukon have very decided views as to whether or not veterans hospitals in this country shall be transferred to various jurisdictions. In the field of labour, a national labour code affects every workingman in the Yukon. Unemployment insurance and other matters coming within the direct sphere of responsibility of the Minister of Labour affect very vitally the daily lives of the Yukon workmen. In regard to the field of agriculture, we listened the other evening to the Minister of Forestry, who carries a split responsibility with the Minister of Agriculture for agricultural affairs as they affect the application of ARDA. He said he had visited every province in Canada, wishing to leave the inference that that was all there was to Canada. But he had not visited the Yukon or the Northwest Territories, where there exists a very good potential in agricultural development. The lack of consultation by this government and by its ministers, with one single exception in the Department of Northern Affairs and National Resources, shows in turn a decided lack of appreciation of what this part of Canada has to offer to the over-all fabric of national development.

It seems to me that if the taxpayers in the north in the Yukon and Northwest Territories are expected to bear a portion of the cost of the implementation of these various federal-provincial territorial programs, the people of the north should have a voice in how they are to be constructed and applied. If a hospital insurance program is to be implemented—as it was—surely representation from the two northern governments should be had as to how this implementation is going to affect the over-all economy of these two territories. Similarly with the Canada pension plan; if this is going to be implemented in the Yukon and Northwest Territories, which I assume is the intention since these areas are part of Canada, we in the north should be consulted so that the government and their advisers can obtain first hand advise as to how the application of such a program is going to affect the over-all economic fabric of our country; and when I speak of our country I mean the northern portion of it.

The last fiscal arrangement which was made with the Yukon Territory, in 1962—and the Yukon signs the same type of federal agreement as do the provinces—provided the best possible arrangement that the Yukon had ever had. I wonder whether in 1967 this sort of approach is going to prevail. I am having my fears in this regard because I see the government on every hand pulling in its horns with regard to northern development projects. The only project in the way of construction of development roads in the Yukon which is now under way is a short section of the development road from Watson Lake to Ross river. That is the only one in the Yukon this year, contrasted with the tremendous upsurge of activity in road and bridge construction during the years 1957 to 1962.

I do not blame for one moment the Minister of Northern Affairs and National Resources for this lack of appreciation of the great potential of northern Canada. I blame his colleagues in the cabinet, because I am sure he has in all likelihood made just as

strong representations to his cabinet colleagues for a continuation of this development program in the north as he undoubtedly made with regard to keeping the jurisdiction over Eskimo affairs in the federal sphere of administrative responsibility. He probably did not meet with the same success, otherwise we would be seeing more of this economic activity, economic activity to which the minister did not seem to give much credence in the royal commission of which he was the author a few years ago. The minister recognized the fact that one of the most serious problems besetting the development of the north was communications, and I am sure it was having some regard for the observations made in that report by the minister that that great development program was launched by the previous government, a program which has attracted private industry and capital into the Yukon—

Mr. Grégoire: That is out of order.

Mr. Nielsen: —and in the Northwest Territories private industry and private investment, which has lessened the burden on the federal treasury. And if that is out of order, Mr. Chairman, then I fail to appreciate what we are speaking of here. I thought it was federal-provincial fiscal arrangements. It is comments like that, sir, from the hon. member for Lapointe which points up his supreme ignorance of affairs northern. He should be one of the first to realize, as should his confrères from Quebec, how we in the north feel about these matters. We in the north are making a last stand. As we were prior to 1957, we are again now getting back to the idea that we should have some sort of Colombo plan in operation so that we can realize some sort of development similar to that which went on between 1957 and 1962. I would invite the hon. member for Lapointe and others who display the same sort of ignorance to visit the north, as I have Quebec, and get first hand information of which he speaks.

Mr. Grégoire: Mr. Chairman, I think the hon. member for Yukon is trying to evade the issue. I would like to speak of his ignorance of the rules of the house because he was out of order. I know the situation up north. I have been up there, and the hon. member should not say it is ignorance on our part when we call him to order. First of all, he should learn the rules of the house.

Mr. Nielsen: What I have said, Mr. Chairman, must have touched a sore point with the hon. member, otherwise he would not so righteously rise to drag a red herring across the subject matter of this debate with which I was pointedly dealing at the time of his interruption. School programs and educational costs in the north are substantially higher than in southern Canada. We look to the federal government to bear a substantial portion of the cost of educating our youth. Twenty five per cent of the population of the Yukon are still at school, and I am sure that these statistics in the Northwest Territories are similar. Large numbers of Indian people and Eskimos, for whom the federal government is directly responsible, are concerned, and this is surely a matter upon which the governments of the two territories should be heard.

I suggested a moment ago that what we might be looking for there is the application of some sort of Canadian Colombo plan. I hope that the minister and some of his less enlightened colleagues will visit the Yukon and Northwest Territories so that they can see first hand the conditions which exist. They speak about underdeveloped areas and areas requiring the expenditure of federal tax dollars. These are some of the more needy areas of the world today with human beings living in what amounts to little more than hovels.

Before 1957 we in the Yukon said that perhaps one of the solutions we might implement in order to obtain some sort of relief was to declare a war on the state of Alaska, and then lose it and apply for foreign aid from the United States government. This is the way we are beginning to feel again, and I am sure that the Alaskans, who are northerners under the skin, would welcome us into their embrace.

Mr. Knowles: Is that not a bit risky? You might win.

Mr. Nielsen: With the spirit of the Yukoners such as it is, I have no doubt of the outcome, no matter how many are up against us in Alaska. But what I am trying to point out is that there is this feeling there because of the decline in government investment in the north.

I know it is the view of the Minister of Northern Affairs and National Resources, because he stated it often enough during his recent visit across the Yukon and Northwest Territories, that the primary responsibility for investment capital in the Yukon and Northwest Territories must come from private resource sources. This is wrong. I

see the parliamentary secretary shake his head when I say that I feel this is wrong. I say the primary responsibility for development there is a federal responsibility. It is the federal government which has direct control over almost all natural resources above the 60th parallel, save exceptions in the provinces of Quebec and Newfoundland.

Therefore it is the federal government that must bear the prime responsibility for implementing programs and for investing risk capital in order to create the atmosphere which will bring about a partnership between government and private industry in order to achieve development programs. That was the philosophy of the previous government and that should be the philosophy today.

The construction of the development roads and bridges—I am sure the parliamentary secretary to the minister realizes this—that went on in the Yukon in those few short years have attracted more investment dollars from mineral exploration and development companies than ever before in the Yukon's history, save during the Klondike gold rush. Twenty billion tons, a huge deposit of iron ore, was discovered in 1962 by the Crest Exploration Company. If the program that was launched in 1957-58 had been commenced ten years earlier, we would be marketing that iron ore now instead of there being some doubt of it because of a concurrent discovery of iron ore in Australia, and the means would have been found to make it competitive.

I know that the minister's philosophy on this subject is to develop the resources from the northern portions of the provinces first and then, when we need this reserve which we have in northern Canada, to go in and get it. But where else in Canada, indeed where else in the world can you hold up the development of a 20 billion ton deposit of iron ore, which could have been sold on world markets ten years ago had that private investment capital been attracted by the adoption of proper development policies.

Mr. Francis: You had your chance.

Mr. Nielsen: The hon. member for Carleton says we had our chance. I am sure he will recognize the truth of this, that in those years between the beginning of 1958 to when his government took office we did more in developing Canada's north than had been done in any other time in Canada's history. He was not here then, but if he examines *Hansard* of 1961 or 1962 he will find I put on the record the differences of expenditures between the two decades prior to 1957 and the five short years subsequent to 1957.

I just have one set of figures at my disposal at the moment. In 1956-57 in northern administration $11,318,000 was spent by the Department of Northern Affairs and National Resources, and in 1961-62 there was $36,536,000 spent, an increase of almost three and a half times.

Where there was literally no investment by the federal government in improving communications—and by that I mean roads, radio and land lines—in the northern part of Canada prior to 1957, there is now full coverage by the C.B.C. in almost every area of Canada's north. There are land lines extending all the way up to Dawson City, and there are presently land lines under construction to Inuvik in the Arctic. This is the type of thing that mining companies and private risk capital are looking for, so that the country is not so remote that it will place the risk dollar they want to put into it at such a disadvantage with risk dollars invested elsewhere.

I say that the minister's philosophy, as disclosed in the royal commission report of which he was the author, is wrong, that we should not wait for a market to develop before looking for resources and looking for sources of resources to develop, but that we should be developing all regions of Canada now. The part that the government plays in this partnership between government and private industry is to provide the atmosphere which will attract risk capital. That should be done in the north by the government, more so than elsewhere in Canada, because the federal government is directly responsible for resource development in the north, and if the pattern set in the years 1957-62 continues, then this capital of a private nature will be attracted.

Passing very quickly to the Department of Northern Affairs and National Resources itself, one of the things I feel the minister should be urging, in as strong a voice as he can, is the paving of the Alaska highway. In urging this development prior to the change of government, the principle of paving was accepted and engineering studies commenced under the previous government. I understand these are continuing today. I know the hon. member for Cariboo will support me in my urging of the paving of the Alaska highway, since it passes through a great deal of his constituency, and the minister himself will be rewarded substantially in the tremendous

number of tourist dollars that will be left through the provinces of B.C. and Alberta, to say nothing of the Yukon and Northwest Territories.

The minister has informed me that there are discussions going on between Canadian government officials and officials of the United States government for the paving of the Alaska highway on a joint cost sharing basis. Since we are speaking about joint cost sharing programs it would appear that in order to obtain development in the north we have to participate in joint programs with the United States, which is a good thing.

The United States government realizes the value of paving this sole continental link between the 48 states and the 49th, Alaska, and I am sure the Canadian government, when it examines the economics will find the cost of maintaining the highway, which borders on $11 million, will be more than repaid by savings effected if the highway were paved. At present two bills have been introduced, one in the United States senate and the other in the United States house of representatives, calling for the United States government to contribute up to 50 per cent of the cost of improving, reconstructing and paving the Alaska highway. If the Canadian government does not act now, and act decisively on this gesture by the United States legislators, then we may lose the opportunity of participating with them in a cost sharing program for the improvement and paving of the Alaska highway, a program which will benefit the whole of Canada.

In the last year in office of the previous government the tourist revenues to Canada came out of a deficit position for the first time. Again this year—and I am sure the same situation prevails in all parts of Canada—the Yukon is enjoying an increased inflow of tourists from the United States and from other parts of Canada. By paving the Alaska highway and thus improving that means of communication the tourist traffic could be doubled and trebled.

There are other means by which the federal government could act in order to improve the situation with regard to the fiscal burden it must bear in the light of the existence of the Yukon and the Northwest Territories and the development of those areas of Canada. One of these the minister mentioned in his report as chairman of the royal commission on Canada's economic prospects. I refer to the tax exempt period for new mines. As the minister knows, a new mine may now operate exempt from taxation for three years. The Canadian mining and metallurgical association, the B.C. and the Yukon chamber of mines, the Alberta and the northwest chamber of mines, the conference on northern resources held in Edmonton each fall—all of these organizations have endorsed the principle that the exempt period should be increased to five years. This will do a great deal to bring new mines into production and to provide impetus for accelerated mineral exploration and development in the northerly areas of Canada. In this regard I do not confine my remarks to the Yukon and the Northwest Territories but am referring to the northern portion of the provinces as well. This sort of policy would do more to develop resources of this type than any other fiscal proposal that the government might have. There is only one possible exception and that is participation by the government with private industry in the north in the locating of smelters.

I believe that the federal government should relent with regard to its policy of excluding the government of the Yukon and the government of the Northwest Territories from representation at federal-provincial conferences. The government of the Yukon in particular, through its wholly elected council, is requesting initially not even active participation in federal-provincial conferences dealing with fiscal matters but merely that its representatives be allowed to sit in as observers.

I know the immediate answer will be that the Minister of Northern Affairs and National Resources or somebody from that department attends these conferences on behalf of the two governments concerned. But this is surely a shallow reply because we have federal-provincial conferences dealing with fiscal affairs where a member of the federal government is in effect representing a government which is on all fours with a provincial government in respect of legislative powers and per capita responsibilities. I might inform the minister that in the Yukon there is rather deep feeling about this matter, and with some justification. The people there look to recent statistics published by the federal government which disclose that during the last decade the per capita income tax contribution to the federal coffers from the Yukon exceeded, save for one year, the per capita tax contribution by Prince Edward Island. With such comparative statistics it seems to me there is some justification for acceding to what the elected representatives

of the people of the Yukon are requesting. It is not an unreasonable request at all.

I put a question to the Prime Minister with regard to a letter he had written to the premiers of the ten provinces, and their replies show that in large measure they are not against the type of representation requested. I do not have the letters before me but to the best of my recollection there were only one or two provincial premiers who had any direct objection to this sort of representation. Most of the other premiers said in their replies that they had no specific objection.

Therefore, Mr. Chairman, if I have accomplished nothing more than to get through to the Minister of Finance with this proposal I will have succeeded indeed. The thought simply is that the governments of the Yukon and the Northwest Territories, particularly the Yukon because it has a wholly elected council as opposed to the partially appointed and partially elected council in the Northwest Territories, share the same programs as do the provinces. They pay the same per capita costs under these programs as do the provinces. They bear the same per capita tax burden in the implementation of these programs as do the provinces. Surely there should be some method for conveying the views of the elected representatives of the government of the Yukon to those who make the final decision as to what form these cost sharing programs will take. Surely we from the Yukon should be able to present our views as to how these cost sharing programs are going to affect the over-all economic fabric of the Yukon.

This is all we are asking. This is all that has been asked by the wholly elected council of the Yukon, a council which has the same legislative jurisdiction as any provincial legislature with three exceptions, in the fields of natural resources, justice—

The Deputy Chairman: Order. I must interrupt the hon. member for Yukon to advise him that the time allotted to him has expired.

Mr. Nielsen: —and the introduction of money bills. Thank you very much.

Mr. Grafftey: Mr. Chairman, in dealing with the particular question of federal-provincial financial arrangements I feel at the outset it is almost inevitable that we touch upon the general field of federal-provincial relations. I think most members in the house this afternoon will readily admit that the general subject of federal-provincial relations is perhaps one of the most, if not the most, important subjects confronting parliament and the nation at this time. I do not want to exaggerate but I think many of us would agree that to a very large extent national unity itself depends upon our resolve and determination to find solutions to the problems of federal-provincial financial or taxation arrangements and federal-provincial problems in general.

With this in mind, Mr. Chairman, I intend during my brief remarks this afternoon to treat the subject at hand under two headings. First of all, I should like to refer to some historical and contemporary background material pertaining to the subject and especially underlining the Progressive Conservative approach to the general field of federal-provincial relations and federal-provincial taxation arrangements in particular. Second, I should like to underline some basic problems involved in the whole question today before coming to what I hope will be considered some positive conclusions.

[*Translation*]

Mr. Chairman, allow me to read a few brief considerations which I deeply value about "unity within diversity."

The Canadian constitution is the first in the world to combine a federal government system with a parliamentary system.

I have always felt that a federal government system should try to conciliate a certain degree of unity with a certain degree of diversity.

In my opinion, Canada has never been and will never be united according to the principle of the melting pot.

As everybody knows, we have a vast and thinly inhabited country. Even if our population were to increase materially and our means of communication to become faster than ever, I would still believe that "unity in diversity" should remain the basic and essential factor governing our attitude towards Canada and its people.

Our federalism is based on a particular psychology in the variety of our peoples and provinces. Union is sought, but not unity in the matter of languages, cultures, religions, etc.

This attitude, based on "unity in diversity" should always be held as a positive and dynamic factor of our national character.

In a realistic perspective, that fundamental diversity of our national life raises many problems in the edification of a nation. We are facing some of those problems today. By merely paying lip service to the necessity of mutual respect and understanding, to the necessity of co-operation, we do not stress enough that attitude which advocates a policy of "live and let live". An all-embracing co-operation is undoubtedly essential, but the sooner we shall emphasize the positive glories of our diversity, the sooner the number of those who talk of a confederation crisis will diminish.

[*Text*]

I felt, Mr. Chairman, that as I entered into the substantive part of the remarks I

intended to make this afternoon I would put what I might term as a few keynote phrases on the record in French. It has always been my impression that one of the basic tenets of Conservative principles lies within the idea of local self-agency. I have said this in our House of Commons before, that we on this side of the house feel that people on the local level often know what is best for themselves and how best to govern their own affairs. In other words, the diffusion of powers constitutes a fundamental idea in our approach to federal-provincial relations.

This has been said time and time again, Mr. Chairman. Of course, we must have a strong federal government which must always remain strong and activist—I underline the word "activist"—within its constitutional responsibilities. There are those who would argue that Macdonald and Cartier advocated a strong central government. Well of course they did: They had no other choice. Before 1867 the parts existed but there was no whole. It was the primary task of the fathers of confederation to create the whole and to defend it. At the same time Macdonald and the other fathers of confederation profited from the experience of the drafters of the United States constitution who had witnessed the breakdown of their original central government which had been given too few powers by the original articles of confederation.

Briefly, Mr. Chairman, Conservatives fight extremes wherever and whenever they exist. In the United Kingdom for example a Conservative administration defended strong central government in the last century. They defended it against privilege. Yet today a Conservative administration in England fights against the tendencies toward over-centralization, if you will, of the socialist state. In brief, Mr. Chairman, the Conservatives' respect for diffusion of powers dictates that we discourage any exaggeration toward centralizing tendencies.

When we say that our party was the party of confederation, this means much more; it has a much greater significance than the mere fact we were in power in 1867. The spirit of Macdonald and Cartier means much more than that, Mr. Chairman. It means you have two great languages and two great cultures forming the real glory and the real strength of Canada. Today the same spirit includes Canadians of many cultural and ethnic origins as we work together to build our country. This spirit of unity in diversity keynotes the fact that the melting pot theory is not applicable to the Canadian mosaic. We have noticed, sir—and the Minister of Finance made reference to this—we have noticed that during the war years and the immediate post-war years we had strong centralized governments in Ottawa. I think it is generally recognized that today the pendulum is now swinging towards the provinces at a time when the national government has been directed by a series of minority administrations.

I repeat, and probably will repeat again in my remarks, that I believe we should always have a strong and activist central government, but it should be strong and act only within its constitutional responsibilities. The suggestions and proposals I make this afternoon are not based on a defence of the centralist position; they are not based on a defence of provincial rights. They merely recognize, Mr. Chairman, the facts of life in Canada in 1964. Disraeli criticized the Whigs for overcentralization while they divided sections of the country against one another. In Canada, sir, the same can be said of successive Liberal administrations which have encouraged excessive centralization based on a divide and rule approach. Mr. Lesage recognized this, and today in the province of Quebec the Liberal forces are splitting in two. Liberalism in Quebec has never said the same thing as it has said in the rest of Canada—

Mr. Dupuis: Again?

Mr. Grafftey: The Minister without Portfolio says, "Again". I will keep saying it again and again, and it is becoming quite apparent these are the facts of life.

Mr. Dupuis: You are entirely wrong.

Mr. Grafftey: Then why are you splitting in two in the province of Quebec? You cannot answer that. Liberal forces are splitting in two in the province of Quebec, Canadians in general, and Quebeckers in particular are realizing it is bad for our country and for the province simultaneously to have Liberal governments in Ottawa and Quebec.

Since the present government has come to power in Ottawa Canadians have become appalled at its record in the field of federal-provincial relations. I have no reason to take any pleasure from this fact because this government, I regret, has unnecessarily hurt national unity at a time when all Canadians are preparing to celebrate their centenary. Conservatives believe that because a man is intensely loyal to his family and church there is no reason to hold that his love of country

is diminished. In the province of Quebec our loyalty to provincial ways and customs and to the French fact in no way lessens our true spirit of Canadianism. That Quebeckers love their province does not diminish their love for Canada and the Canadian family. Quebec has always looked upon confederation as a pact under which the provinces have their rights—something which the Prime Minister and his cabinet colleagues do not seem to realize. If Liberal sectionalism told—and tells—the rest of Canada that this is an extreme type of autonomy which means no co-operation with Ottawa and the other provinces, so much the worse; the story of Cartier, Macdonald and Diefenbaker is a different story.

The Minister without Portfolio, again speaking from his seat, jests. I know all about his smear campaign—

Mr. Dupuis: I am not listening to you. I am reading my paper; that is all.

Mr. Grafftey: I know the hon. gentleman reads many papers in this house. No one did more to smear our leader in the province of Quebec. But let me quote from two great men who understood Conservative principles—Salisbury and Burke. In my view these general observations illustrate the universality of Conservative principles even in Canada at the present time. The following is an excerpt from a speech by Lord Salisbury on Conservative policy at Newport on Monday, October 7, 1885. It illustrates the persistence of Conservative advocacy of a more equitable balance of initiative and authority between central and local governments.

He said:

> Now bear it mind what true reform in local government means. It does not only mean—what I quite admit—that the local authorities should be popularly elected; but it means that, when you have got at what you want, when you have provided the proper constitution of local authority, you must provide that the local authority has sufficient powers, and that it gets those powers by diminishing the excessive and exaggerated powers which have been heaped on the central authorities in London.

Now let me quote, pertinently I believe, from a speech by Edmund Burke, because it illustrates the traditional Conservative attitude toward the morbid concentration of power in the modern state:

> It is boasted that the geometrical policy has been adopted, that all local ideas should be sunk, and that the people should be no longer Gascons, Picards, Bretons, Normans; but Frenchmen, with one country, one heart, and one assembly. But instead of being all Frenchmen, the greater likelihood is that the inhabitants of that region will shortly have no country. No man ever was attached by a sense of pride, partiality, or real affection to a description of square measurements. He never will glory in belonging to the chequer number 71, or to any other badge-ticket. We begin our public affections in our families. No cold relation is a zealous citizen. We pass on to our neighbourhoods, and our habitual provincial connections. These are inns and resting-places. Such divisions of our country as have been formed by habit, and not by a sudden jerk of authority, were so many images of the great country in which the heart found something which it could fill. The love of the whole is not extinguished by this subordinate partiality. Perhaps it is a sort of elemental training to those higher and more large regards by which alone men come to be affected, as with their own concern, in the prosperity of a kingdom. To be attached to the subdivision, to love the little platoon we belong to in society, is the first principle (the germ, as it were) of public affections. It is the first link in the series by which we proceed towards a love of our country, and of mankind.

Sir, I feel these citations are very pertinent to my general opening remarks. Let me close this portion of my observations by saying that Conservative principle with its emphasis on local self agency and its attitude towards the provinces has a most valuable and distinctive contribution to make to the contemporary Canadian scene.

At this point, under the second heading of my remarks, I should like to emphasize a few basic problems in the field of federal-provincial relations. It is my opinion that a great disservice is done when the ordinary fiscal problems connected with federal-provincial relations are confused with the general question of bilingualism and biculturalism. I fully realize that many of the legitimate aspirations of my province are obviously linked with economic considerations. But currently too many people both inside and outside Quebec are confusing the normal demands for the tax dollar with the question of English-French relations. The results are harmful.

I believe there are two main factors militating against a solution to the question of satisfactory federal-provincial fiscal arrangements at the present time. The first, as I said, in my general remarks, is the tendency of the present Liberal administration toward increasing centralization at a time when decentralization is a "must". The second is the lack of consultation with the provinces and the woeful inadequacy of permanent consultative machinery in relation to the provinces. As to the first factor, we should not really be surprised by the current push toward overcentralization in Ottawa today. We in Canada are blessed with a fine civil service

but the Prime Minister, a former senior civil servant himself, surrounded by the Minister of Transport, the Minister of Industry, the Minister of Trade and Commerce, the Minister of Justice and others, all former senior bureaucrats is, consciously or subconsciously, taking a centralist position which in my view is simply out of step with the times today.

I repeat, we must have a strong central government, but it must act within its constitutional responsibilities. The present government, however, is neither active nor strong. The Prime Minister rightfully gained a reputation as a wise negotiator. But now he is Prime Minister and he must lead. If he continues to negotiate, and if as well he continues to retain this slavish attachment to outmoded centralist doctrine, the resulting damage to national unity will be incalculable. No real agreement with the provinces on tax and financial matters will ever be attained in these circumstances.

The second factor aggravating the present situation relates to the woeful inadequacy of the permanent consultative machinery dealing with problems arising between Ottawa and the provinces, and the refusal of the present government to consult with the provinces on a genuine basis in the true spirit of co-operative federalism. This government has consulted only under pressure, often too late and, unfortunately for the country only when the damage has been done. The result has been an inability to implement the major part of its domestic program.

For example, the Prime Minister says he has already created a secretariat for federal-provincial relations. But when I made specific inquiries I found the only people in the office are a part time employee—the director—and an assistant. The part time director is also an assistant secretary to the cabinet. So this in fact is merely a sham. After this procedure was set up the Minister of Justice had the effrontery to go into Montreal and before the Canadian club say that this government had set up a federal-provincial secretariat in the Prime Minister's office. This is not the kind of secretariat I am thinking of; I am thinking of a federal-provincial secretariat based on the ARDA approach and based on the national resources approach which was implemented by the previous administration under the direction of the now right hon. Leader of the Opposition. What the Prime Minister has created in this regard and what he seems to intend to do is simply not enough.

[Mr. Grafftey.]

Unless permanent consultative machinery is immediately improved, let me cite just two examples of things that could happen. The President of the Privy Council, to whom the Prime Minister intends to delegate the work of planning priorities, will virtually be unable to do his job without close liaison with the provinces. Another result would be the central government's inability to exercise proper control and direction over monetary policy. For example, what is going to happen when the province of Quebec has such great control over a funded pension plan? Consultation must be a permanent thing; the machinery for consultation must be permanent. Consultation with the provinces must be improved immediately. I know that I seem repetitive on this subject, Mr. Chairman, and my friends have often asked when I am going to stop whipping a dead horse; but I am going to speak and speak on this subject until the administration opposite takes at least partial cognizance of my suggestions.

At this point I should like to conclude my remarks by making some specific suggestions and proposals. Before further tax agreements can really be concluded with the provinces the constitution must be modernized; we must have a fresh look at sections 91 and 92 of the British North America Act and the question of overlapping jurisdictions. We in the opposition are calling for a conference of federal-provincial leaders. Let us put first things first. Before satisfactory agreement on tax matters can be reached, let the federal and provincial leaders meet in order to redefine federal and provincial constitutional powers and, amongst other things, as the right hon. Leader of the Opposition said, seek proper constitutional amendment procedures here in Canada. Let it not be a meeting just for a few days. Much preparation—and other hon. members have made reference to this fact—will be necessary. The meeting itself might take many days; but I for one feel sure that the results will be more than worth while.

We might find that apart from the equalization formula and related principles many will agree that generally speaking the government that spends the tax dollar should raise it. If a provincial government, for example, does not participate in a federally sponsored plan, is it not preferable for the provincial government in question to recapture compensatory taxation powers rather than receive an annual, lump sum payment from the federal treasury? I just throw this out as a suggestion, Mr. Chairman.

Certainly the federal government has its responsibilities for maintaining and encouraging minimum standards in the economic and social fields. In Quebec, for example, wage levels and farmers' incomes are far below national standards. Poverty in our cities in Quebec is far greater than the national average. These conditions must be remedied by strong provincial and federal governments acting within their constitutional responsibilities. But this must be done consequent upon the conference to which I have referred being called immediately. While the Ottawa and the Quebec governments wrangle, the economic position of our poor in the cities and in the countryside, of our farmers and workers in the province of Quebec, does not improve one little bit. Much of the contemporary problem—I will not say all of it—in my province today is of an economic nature.

The vast majority of the people in my province know that we shall work out these problems within the framework of our confederation. Terrorists and ultra-separatists spurred on by alien forces have already taken a toll. I do not say this in a sensationalist way, but one might truly believe that the classical Leninist doctrine approach has been employed to create national disunity. I say these things not in the spirit of McCarthyism.

Once there is agreement, after such a meeting, on the constitution as suggested by the right hon. Leader of the Opposition, and the meeting redefines the powers of and modernizes the constitution, federal-provincial tax problems and financial arrangements will be more easily arrived at. Then, and only then, an active central government will be able to take a strong federal position within the constitution. There will be no separation; there will be no opting out of confederation, just as a century ago there was no opting out of the United States union. But let us profit from many of the unhappy aspects of their experience. I repeat, Mr. Chairman, future tax and financial arrangements should only be concluded after such a federal-provincial constitutional conference is called. And it must be called immediately because from what the Minister of Finance said a few minutes ago, I am very much afraid that the present government, in going into these taxation conferences in the near future, are once again about to put the cart before the horse, which is something they seem to have a knack of doing—a penchant for doing, if you will, in federal-provincial problems.

My second suggestion relates to the immediate necessity for improving permanent consultative machinery; a real secretariat for federal-provincial affairs, based on the modern resources approach and the ARDA approach commenced by the last administration which I supported in this house, must be established. This type of permanent secretariat for federal-provincial affairs should be established on the prime minister's and premier's level.

It is my hope that these observations and proposals will be of some use at a time when all Canadians of good will are searching for avenues of understanding and moderation. Unity in diversity should be the keynote of this approach, at a time when, as I said before, the voices of extremism from all sides have long since received far more than their share of attention. Hard work and the willingness to listen and understand will be required. Yet realistic optimism dictates that good sense will prevail. I for one know that 1967 will be a great and happy celebration for Canada and all Canadians.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, I do not rise to oppose the resolution as presented by the Minister of Finance. I rise for the purpose of making some observations in connection with it. We have been reminded by the minister in his opening remarks in presenting the resolution to us that we should not be misled by the simple form of the resolution into thinking that it is not complicated and is not complex.

So with that in mind I approach the general substance of the resolution itself, and I say immediately that my experience and sympathy throughout my political life has been almost entirely—at least up to 1960 entirely—from the viewpoint of the provinces rather than the central government.

We now find that this subject which is before us is of tremendous importance. Federal-provincial relations in a country such as ours are always important; today I think they are more than ordinarily important. This has been brought about for a variety of reasons. We have heard the reasons referred to this afternoon in a good many most eloquent speeches. I listened with great interest and some benefit to the speech of my hon. friend and near neighbour, the hon. member for Pontiac-Témiscamingue. I also listened to the hon. member for Yukon advancing the general needs of and urge for consideration which he felt for that part of Canada which he represents. We have just listened to our great

friend, the young member for Brome-Missisquoi, who gave the house in my opinion a very fine illustration of his intense conviction for the need for co-operative action in order that this great and dear country of ours shall continue to grow, flourish and prosper as an entity.

Consequently I find myself unable to talk of co-operative federalism. To me it is quite a difficult phrase to define. I might go to the dictionary but I would still find it difficult to define. I think there exists the general opinion, both inside and outside the chamber, in the hearts and minds of most Canadians that this is our country. It is Canada, and it is a Canada which is a whole rather than a series of parts. It is with that in mind that I confess I find myself changing my viewpoint to a certain extent; not that I do not want or think it necessary to advocate any further the needs of my native province, because I do. I would be derelict in my duty if I did not speak on behalf of my province and on behalf of the Atlantic provinces generally, because that was my training and that is my urge. But I do think we cannot get away from the general idea that we as Canadians must recognize the fact that we must view our country as a whole; that in discussing federal-provincial relations we shall consider nothing which should be done so far as the provinces are concerned at the expense of a strong central government.

I want to refer in general terms to some of the events in which I have been interested and of which I certainly have some knowledge with regard to dominion-provincial relations. During the period 1944 to 1952, as a member of the opposition in a provincial house I listened many times to the premier of the province making reports to the legislature concerning his success in conducting negotiations on behalf of the province, as one of a group attending a dominion-provincial conference. I remember many times his saying that the announced proposition was as good a proposition as was possible to make in light of the responsibilities of the federal administration at the time. We criticized as much as we could and to the extent that our intelligence and general knowledge permitted us. But generally speaking I was impressed by those words—that the province got as good a deal as it felt was justified in the light of the responsibilities of Canada as a nation. That was the sort of thing I listened to during that period of time. Then after 1952 I had some connection with provincial conferences.

[Mr. Flemming (Victoria-Carleton).]

Then a day or two ago, last Thursday to be exact, I listened with great interest and admiration to the speech of my leader, the Leader of the Opposition. I thought it was one of the finest speeches which had ever been delivered in this house. Not only was it fine from the point of view of advancing his arguments with the maximum amount of impression and knowledge, but he also suggested the particular need of today for the government to take some leadership in sponsoring what might be considered a "fathers of continuing confederation conference", a sort of new fathers of confederation conference. I am sure that is what my hon. friend from Brome-Missisquoi had in mind a few moments ago—another fathers of confederation conference, but this time a fathers of continuing confederation conference.

In my opinion, it is just as important and so much easier to keep something going which is already going than it is to start something new. I was greatly impressed with the speech of my leader, and I feel that the government can well take his suggestions to heart, and I hope they will. I trust that from the seed which he planted, which seed has been watered by quite a few hon. members here this afternoon, will come something which will be of great benefit to our country as a continuing great nation.

May I call it six o'clock, Mr. Chairman, and continue my remarks at eight.

The Chairman: Order. It is my duty to announce that the questions to be raised at 10.30 this evening are as follows:

The hon. member for Kootenay West, federal participation in developing Fraser river; the hon. member for Port Arthur, federal participation in mining developments, Timmins, Ontario; the hon. member for York-Scarborough, provision of limousine service to Toronto international airport.

It being six o'clock I do now leave the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Flemming (Victoria-Carleton): Mr. Chairman, when the committee rose at six o'clock I was referring to the speech made by my right hon. leader and to the fact that

in it he had referred to a speech made by the premier of Newfoundland in June, 1955. He quoted some extracts from that speech, and it just so happens that I listened to Premier Smallwood when he was making it. I was encouraged then because I felt that the government of the day would pay more attention to Premier Smallwood than to me. I am not complaining; this is just a statement of fact.

I want to quote some of the words Premier Smallwood used on that occasion, as I think they are most important. He said:

> Before we become second class citizens of Canada we will show the other maritime provinces how to get out of confederation.

This indicated that at that time the premier of Newfoundland felt very strongly about the deal the Atlantic provinces were getting from the government of the day. The Prime Minister was a member of that government and also the Secretary of State for External Affairs. I am not so sure whether my hon. friend the Minister of Transport also was a member.

Mr. Pickersgill: What was the year?

Mr. Flemming (Victoria-Carleton): 1955.

Mr. Pickersgill: Yes, I was a member of the government.

Mr. Flemming (Victoria-Carleton): So, the Minister of Transport pleads guilty also.

Mr. Pickersgill: No, I don't plead guilty.

Mr. Flemming (Victoria-Carleton): Whether he pleads guilty or not, the point is that the government of that day disregarded Premier Smallwood's words and paid no attention whatsoever to them.

I want to come to the question of the discriminatory features which existed prior to the advent of the Diefenbaker government in 1957, and I want to quote some of the words which I myself uttered at the conference of 1955, speaking on behalf of the province of New Brunswick. I said this:

> Yet, Mr. Chairman, most of us will admit that certain deficiencies and weaknesses in this course of national development have become very evident. It is true that Canada as a whole gained in prosperity and social security and all provinces have made considerable progress since 1945; yet, at the same time, the discriminatory features of our federal system have not been overcome and, in some respects, have tended to grow greater over the years.
>
> New Brunswick has derived considerable benefits from federal social security provisions and no doubt this is true in any province where the low income groups are relatively great in number and the per capita income tends to be low. Yet, although supplementary family income from social welfare sources is welcome and useful in raising regional standards of living, the fact remains that such matters still depend and must always depend upon the regional economy in the final analysis. It will be the submission on behalf of our province that this matter can only be dealt with by a national policy specifically designed to improve regional income through helping to increase the productive capacity of areas which fall below certain indices to be determined.

At that conference the second argument that was advanced was that future tax rental agreements should include a factor that would take into consideration the taxable capacity among the various provinces, and now, some years later, I say to the Minister of Finance that taxable capacity and ability must be taken into account in all considerations with the provinces at all times.

In 1955 we of the Atlantic provinces asked the government for special adjustment grants to make up our lack of taxable capacity or, in very plain language, our lack of ability to pay. However, there was no response and no action from the Liberal government of that day. We were told it was impossible to differentiate as between one part of Canada and another, and there was no response to that request until the government led by the right hon. Leader of the Opposition came into office.

I shall tell you, Mr. Chairman, where you can find the record of what took place at that time. As set out on page 5294 of *Hansard* for July 9 last you will see that the Atlantic provinces adjustment grants listed there as item No. 8, and you will see that from the year 1958-59 in which they were introduced they totalled $25 million for the succeeding four years, and at the beginning of 1962-63 they were raised to $35 million and have continued on that basis until the present time. I simply wish to point out that this government is taking the benefit of a good example set by the previous administration in recognizing what was done in dealing fairly with the Atlantic provinces.

I also want to call the attention of the committee to the table placed on the record by the Minister of Finance, as recorded at page 5184 of *Hansard* for July 7 last, and to his remarks with respect to it when he says it shows the difference between the November 1963 proposals and the proposals of April 1964. There he states that the government of which he is a distinguished member had a change of heart in the matter of a few months and decided to give our provinces

more money, but he does not say why it refused to give the provinces more money in the first instance.

Since an increase is shown I, as a New Brunswicker, am pleased to see my province will benefit, but in the minister's speech he did not say where he proposed to get the funds that he is abating to the provinces. They amount to a considerable sum of money, an additional $87 million for the current year, an additional $171 million for next year, and an additional $246 million for 1966-67. I wonder whether the Minister of Finance has forgotten that expression, "a balanced budget" which he used many times in this chamber when he was over here in opposition. I wonder whether he would acknowledge that he favours deficit spending indefinitely and forevermore.

Does he favour deficit spending in a buoyant economy? It is my understanding of economics, to the extent that I may have some knowledge of that subject, that deficit spending is used when things are declining, when it is necessary to make provision for employment and when it is necessary to do something of an unusual nature to stimulate the economy. That is the time when, according to the economists, deficit spending is justified. We hear our friends opposite bragging day after day about the buoyant economy, while at the same time they do not say where the funds are going to come from to balance the budget. That expression has not been used by them since they were over here on this side of the house.

So as a Canadian I am wondering where the minister proposes to get the money which he is abating to the provinces. In my opinion there is only one place to get it and that is by additional taxation. I think he owes it to the house to say what he proposes to tax, on what items he is going to impose tax and on what items already taxed he is going to raise the tax. These are things which I think we in this house have a right to know and to which so far he has made absolutely no reference at all. It seems to me that he owes the house more explanation than he has given us up to now.

I find no fault with the extra money for the provinces. I find no fault with the expenditure of money itself. As a matter of fact, I am rather favourable to the spending of money by governments, but I do not think the spending of money by governments should go on at a time of a buoyant economy when presumably things are as good as they can be, and still make no attempt to balance the budget, but pass the increasing debt along to our children and our children's children to pay some time in the future. In my opinion such a policy is completely unjustified at the present time and the house certainly should ask the Minister of Finance and the government to explain what they are going to do about it.

I think the minister should also have some understanding with the provinces, and perhaps through them with the municipalities as well, relative to financing. I have in mind that we as a parliament consider that the control of the monetary system, control of inflation and in general the credit of the country are and should be in the hands of the federal government. I do not think there is any question about that in the minds of any of us. But when the provinces and the municipalities are allowed to budget for deficits year after year, then year after year the money stream must of necessity be increased by that amount. It seems to me that unless there is an element of control in some way, either by agreement or otherwise, we cannot help but be bound to get a degree of inflation, with all the evils that go with it. So I think from the standpoint of the general good of Canada there must be an understanding with the provinces so that the whole question of credit, money supply and the monetary system in itself can be determined in the light of the economics of the whole country.

The Leader of the Opposition has suggested a conference on the whole question of federal-provincial relations. This afternoon the minister had some advice as to certain machinery that had been set up at the last conference with the provinces, but in my opinion that is purely on an administrative level. We have to have something more than just a set-up of people who are charged with duties and responsibilities of administration in order to deal with this most important matter of the relationship between the federal government and the provinces, both economic and political.

As I said before the supper recess, in my opinion it has become necessary to set up a second fathers of confederation conference so that there may be a genuine attempt made at the highest level possible to meet the political and economic difficulties which exist in this country, and deal with them with perhaps about the same state of mind that existed 100 years ago. We have no way of knowing that the difficulties of the fathers of confederation then were not greater even

than the difficulties facing us today. I do not think we have any particular reason to feel that the particular difficulties facing us today are insurmountable, not by any means; but I do think it is the duty of the government to furnish leadership to the country at the present time in this matter. They should set up a conference of this nature, and the mechanics thereof are a matter which they in their judgment might determine. I think something certainly should be done and in my view the suggestion put forward by my leader is one which deserves the greatest amount of consideration.

Such a conference should be a meeting of the representatives of the federal and provincial governments. It might take the form of a centennial celebration to a certain extent. We are getting close to the 100 years. I would hope that such a group would be just as dedicated as the fathers of confederation were 100 years ago and just as determined to succeed as they were then. I think they would be no less determined to keep Canada together than their predecessors were to establish this great nation.

There should be some knowledge available to the federal government relative to the budget position of all the provinces. As has been pointed out many times in this chamber by the hon. member for Brome-Missisquoi, there should be the closest kind of co-operation. I see by the clock, Mr. Chairman, that my time has expired. I am pleased to have the opportunity of expressing the opinions I have voiced in the last 20 minutes and in the 10 minutes immediately before the supper recess. I trust the minister will take due note of all these words of wisdom which have fallen from my lips and I thank the house for listening.

Mr. Woolliams: Mr. Chairman, following the hon. member for Victoria-Carleton, a former premier, may create some difficulty for me. It was on July 9 that the motion really came up for debate following the statement the evening before by the minister. The resolution we are discussing this evening is in these words:

> That it is expedient to introduce a measure to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

In dealing with the sharing of taxation between the federal government and the provinces, some of us who are not quite so eloquent as some of the orators we heard this afternoon may want to come to grips with the economics of the situation. I think that all members of parliament, no matter what government is in office, feel somewhat sympathetic toward the minister of finance. He is the minister in the cabinet who has to find the money for all expenditures. He is the minister who has to pay the bill resulting from any arrangements made between the federal government and the provinces.

All of us appreciate one fact, that every government at whatever level, the local level, provincial level or federal level, is struggling to meet the bills for certain programs today. We have heard a lot about the province of Quebec today, but whether it is western Canada, Ontario or the maritimes the local governments are involved in a great struggle to try to find the finances necessary to enable them to carry out the jobs they are supposed to perform.

The provincial governments are practically in the same boat. Some governments claim they have done a better job of financing than others. I saw my good freind, the hon. member for Red Deer, just recently talking to the Minister of Finance. He may have been discussing debt free money with the Minister of Finance. In the last few years I know the Minister of Finance would have been most interested in debt free money—at least, free of debt. The hon. member for Ontario suggests that the present minister voted for it. I can appreciate that.

Then, one comes to the point of local government. In any city, whether it is my home city of Calgary or any other city in Canada, property taxes have now reached such a height that the advantages that governments provided during the last ten years, whether they be Conservative governments or Liberal governments, through the National Housing Act in assisting the average worker to get a home, have been lost. The property taxes at the local level are so high that many workers are unable to live in these houses that we, in parliament, have tried to provide.

An hon. Member: And wait until next spring.

Mr. Woolliams: They will probably be higher. The provincial governments say they cannot give any more help to the municipalities because they are having trouble balancing their budgets. If you are great jugglers, such as the premier of British Columbia or the people in the debt free province of Alberta, you do not run into these problems because

you have good bookkeepers. My good friends on my left clap. The fact is if you add up the municipal debt in Alberta and the provincial debt of Alberta you will find that on a per capita basis it is as high as that of the province of Manitoba or the province of Saskatchewan, if not higher.

I have never been too friendly with the socialist government. I have said some very unkind things about them. However they balanced their budget and they left their house in very good order when they turned it over to Mr. Thatcher.

The point I want to make is that all levels of government are struggling. We pass legislation to help people obtain houses, give them new houses or let them live in better apartment blocks. But property taxes are so high, provincial tax levels are so high—and so are federal levels—that we are all feeling the squeeze. The problem finally falls on the shoulders of the Minister of Finance. If he does not perform some miracle, everything goes wrong. I am not going to enter into a debate on the criticisms of a former minister of finance, Mr. Donald Fleming. There was a lot of abuse heaped on him. There has been a lot of abuse heaped on this Minister of Finance. When he goes, there will be a lot of abuse heaped on the next minister of finance. I am sure the former minister of finance, who is sitting here to my left, will corroborate the fact that you have got to find the money somewhere, and you cannot perform a miracle.

I am sure that if I were a mouse and wandered into a meeting of the Liberal cabinet or the Conservative cabinet, I would hear the minister of finance saying, "Just a minute; stop; where is the money coming from?"

An hon. Member: Are you the mouse that roared?

Mr. Woolliams: I would not know about that, but I would say that I would put up a good roar if I were a mouse.

Then we come to the second problem. These are problems we have to face at the economic level. We are talking about equalization payments across the board for all provinces. If we were to return to the old scheme whereby each province collected its own taxes, that is income taxes and succession duties, we would find this worked a hardship on some provinces, not because wealth was not produced in those provinces but because after the people built up wealth in a province they retired to some other province. For instance, in so far as the prairie provinces are concerned, people retire to British Columbia where the climate is a little better for them to spend their declining days.

When you look at succession duties you find that the duty on stocks and bonds is paid at the point where the company has its headquarters. As a result provinces like Saskatchewan, and even Alberta have suffered from this regulation. This was true, even before Alberta had this windfall—and whether that was the result of the government or oil, I have never been able to determine. My friends seem to indicate they think it resulted from oil. I still want to be fair and I say this provincial government in Alberta has done a pretty good job. Perhaps I am a little prejudiced.

The point I want to make is that this tax revenue falls to the province in which these stock certificates have their headquarters. Now we have got into a new kind of taxation, and some people call this centralization. I am not going to agree with one speaker from this side this afternoon who indicated we do not need a strong central government, because I think we do. I am going to have something more to say about that. The point is that in attempting to arrive at a system of taxation that would be equitable and fair for all Canadians we said, "All right, the federal government is going to collect these taxes. Then we will try to distribute them provincially throughout the land on an equitable basis." I am referring to succession duties and income taxes. This resulted from the fact that people would sell their capital or other assets at a certain price and retire to another province which would benefit from the succession duties.

First of all, over the land you had an equalization of the system of taxation. This was necessary. I think I can quote a very distinguished premier in a few minutes on this point. Everyone in the house, irrespective of where he sits, will admit that a Conservative government did a very fair job of setting up a new equalization system so far as the provinces are concerned. I have been sometimes critical of Premier Lesage. Sometimes you have to see what other people are saying and thinking. Sometimes the people are called fanatics and whom I call the insane people, sitting on the fringe, seem to get more publicity because the people who think logically forget to get their ideas across to the people in this land. Mr. Lesage

paid quite a compliment to the former Conservative government, as will be seen when one reads page 28 of the brief he presented November 25, 1963. Perhaps I had better name this report. It is a statement by Hon. Jean Lesage, premier, minister of finance and of federal-provincial affairs, delivered to the federal-provincial conference in Ottawa, November 25, 1963. It is interesting to note that he admitted what had been done. This is what he said:

> From several vantage points, the results of the 1960-61 federal-provincial conference—

I pause there to say that certainly was a conference under a Conservative government.

> —showed progress as compared with the former situation.

Mr. Lesage said this when he met with the new government.

> We do not underestimate this progress.

In other words, he did not underestimate the progress made during a Conservative regime so far as establishing an equitable basis for sharing taxes was concerned. I hear one of my friends laugh. Well I guess he laughed at Mr. Lesage because he laughs at other Liberals. These are Mr. Lesage's words, not mine. I quote again from Mr. Lesage:

> On other points however we have several reservations which show why we are bringing these matters up again today.

I might say when you read the whole brief presented by Mr. Lesage you will find he says in effect "We have made these points before; we are not adding anything new on the record, but we have made progress under a Conservative government and we hope we are going to make as much progress under the new Liberal government." This is the compliment that was paid by the premier of Quebec. So there was a beginning so far as this matter is concerned, a very sound beginning.

We come back to this situation. The Conservative government did work in conjunction with some of the premiers to bring about more equitable taxation between the local level, the provincial level and the federal level. The provincial premiers admit this, and this was a sound beginning. I am going to say this: I should like to conduct a Gallup poll in the province of Quebec. We hear a lot from a certain premier, and I do not know whether or not there are fringe benefits, but there are fringes, anyhow, on the question.

I question whether the people of the province of Quebec think exactly the way these people who pump out their propaganda would seem to indicate. I think they are as good Canadians as the people of Ontario and western Canada. I believe they think of Canada first. I have never found fault with any premier who comes down to meet the prime minister of Canada, whether the prime minister was Conservative or Liberal, and stands up for his province.

Look at what Alberta has to say. I have paid a compliment to the premier of Alberta and I will pay him another. He presented his brief, and he said exactly the same as Premier Lesage—that a sound beginning had been made under the Conservative government and that it was naturally hoped that this good work would be carried on by the new administration. It is a strange thing that every time the Liberals come in there is some sensitivity in reference to confederation. I do not believe that sensitivity exists to such a degree as is made out. I think it comes from those who want to pump out propaganda and generate—"generate"; that's a good word; it is better than the one I would have used—a whole lot of trouble. If Premier Lesage says he is satisfied to the extent that he has made progress, I think he is satisfied, because I do not think there is anyone in Canada who will say that Premier Lesage is not an aggressive premier who speaks up for his province.

What does the premier of Alberta have to say? The Alberta brief is not as weighty. There is not so much raw material, perhaps. The Alberta program probably did not rate so big a brief. The former minister of finance said we had more oil and therefore did not need as much money. But I do not think Premier Manning would go along with that, because we are always looking for new revenue. What did he say? He said that among the specific matters to which the conference should give attention, the government of Alberta regarded the following as being of particular importance. Then three points are mentioned, and I would say this: These three points are practically identical with the requests contained in Mr. Lesage's brief. This is what he said:

> The necessity to evolve an arrangement under which each government will be assured sufficient financial resources to enable it to discharge its constitutional responsibilities without loss of its rightful sovereignty and without imposing oppressive burdens of taxation and debt upon its people.

Premier Manning said that. If Premier Lesage had said that, some of the French people would say: He wants to break away from confederation. I am sure Premier Manning

does not want to break away from confederation. But I would say this: If we allow these fanatical people—fanatics I say, almost insane in their propaganda—to get away with it in Canada, then the rest of Canada is going to fall to the United States; and I believe there is not one thinking person in Quebec, from the premier downward, who does not believe that whatever the situation has been culturally, economically or constitutionally, the people have had a better deal under confederation in a country called Canada than they would get if this country was taken over by the United States—with the greatest respect to the United States, because I am Canadian first.

It is time we understood what is going on. The premiers of the west are not really saying much that is different from Premier Lesage. It is the interpretations which differ, particularly when they are irresponsible. On page 2 of the brief, Premier Manning said:

> The provision of effective incentives to stimulate more active economic growth and the forms such incentives should take and the means by which they can best be provided.

He, too, criticized in some degree—and I am not quarrelling with him—these shared programs, because they push a province into a position where it has to dip into its resources in order to find money to help carry out these projects. On page 40 of his brief Premier Lesage says exactly the same thing.

So these two provincial premiers are not very far apart, and if that is so it seems to me we are not in very much trouble as far as confederation is concerned, because all of us press for benefits for the part of the country we live in, wherever it may be—in Alberta, if we live in Alberta, or Saskatchewan if we live in Saskatchewan, or Quebec if we live in Quebec. That is Canadian; there is nothing wrong with it.

Further on he says this:

> Other joint programs have barely been started. This is more particularly the case in Quebec since 1960. Financial equivalence should therefore take into account the cost of these plans, had they been allowed to reach what might be called their "maturity". Briefly, if Quebec does not count on the abolition of conditional grants and on the financial equivalence which would result therefrom to obtain otherwise not expected revenues, there will be no question either of Quebec being satisfied with anything other than its fair share of federal funds.

Premier Manning has said practically the same thing. When the leader of the New Democratic party was premier of Saskatchewan I heard him present his brief on one occasion and, as is proper, he fought for his province. He should have fought for it; he was the premier of that province. But there is a disturbing factor. It might have been carelessness or it might have been overenthusiasm in the heat of an election campaign, but the Liberal party went out and promised certain programs without consulting the provinces. They said: We will bring them in within 60 days. This was so they could look like great men. Then they brought in this legislation later on in the absence of consultation and, as a result, we did get some sensitivity about confederation. And if Mr. Lesage stood up and said "Just a minute" to the Prime Minister of Canada, he was right. And if Mr. Manning stood up and said "Just a minute" to the Prime Minister of Canada, he was right, too; because we in the Conservative party believe that one must consult the provinces in this regard. Why? Because under confederation, according to the sections of the law which divide jurisdiction between the provinces and the federal government, certain powers go to the provinces and certain powers are retained by the federal government. That is the position according to the constitution. Therefore the Prime Minister and his government should have consulted with the premier of Quebec and with the premiers of the other provinces before they tried to thrust certain programs down people's throats. That is what happened. And when hon. gentlemen over there learn to be less arrogant, to be less overbearing and to have a greater sense of humility, there will be a strengthening of the fabric of confederation because then you will not have the sensitivity which now exists, although it has been blown up out of all proportion.

I move around this land. I talk to French Canadians and to people out in British Columbia. Essentially, every Canadian thinks the same. He wants to keep Canada Canadian and make sure that every Canadian lives with dignity with his family. Every government, irrespective of criticism which has been directed toward it, has tried to implement such a program, with the one exception of the new government which came in last April. The government which was led by Mr. St. Laurent did consult the provinces. But hon. gentlemen opposite failed to do so and this was because they were pledged to take some kind of action within 60 days.

So there is the situation. If there is any trouble with regard to confederation, responsibility lies on the shoulders of those who sit on the treasury benches—and those benches

are vacant, so it does not weigh too heavily. We westerners are not very good diplomats. I think the Minister of Finance will agree with that. But if confederation is to proceed untroubled, there must be tolerance and there must be compromise. I do not mean the kind of wishy-washy compromise which would divide this country. It must be tolerance and compromise based on national responsibility. Any other kind becomes appeasement, and appeasement will destroy, never create. If we read through the pages of history, whether of national or international affairs, we find that wishy-washy appeasement always brings about disunity.

So I repeat, Mr. Chairman, that one thing we should certainly have is tolerance of one another. Certainly we must make compromises at all levels of government, but there must be the kind of tolerance and compromise that is responsible or this country will be destroyed. We have a lot of wishy-washy nonsense talked about expenditures, and how we are going to go it alone. No section of this country can go it alone, because if you look at the budget of this country you will appreciate that we spend $7 billion a year, and the greatest proportion of that expenditure is for defence. We know that today we get into local and parochial arguments and disputes and talk about dividing some parts of this country from the rest.

I tell you, Mr. Chairman, that we face a new situation in this world. We must keep our partnerships in the western world, whether we have the threat of the cold war or not, because there is a new kind of communism that even the old kind of communist fears; and we need all the strength we have in the western world, whether it is the strength of 19 million people in Canada or the strength of all the peoples in NATO and the defence of this continent in NORAD. When we talk about dividing this country we should start thinking about our grandchildren, because our grandchildren's chance of survival in the kind of life our forefathers came here to build will only remain and be perpetuated if we stay together as a nation and internationally.

This political nonsense—I do not want to single anyone out and I would not single out any one party; but I could single out a few individuals—that is spread in this country, the talk about Quebec leaving confederation or any other province leaving confederation, does nothing to help unity; because if they left it would only be on borrowed time and before long there would be some new threat in this world. With 19 million people we are still among the world leaders with the United States, because we lead the way with them. I believe our way of life is superior to that of the United States in regard to jurisprudence and even democracy. This is because we have not the problems they have had to face. We have not had to measure up to the responsibility of world leadership yet; but we should bear that responsibility with the United States to make certain that our world on this side of the iron curtain—and, let us hope, our ideas—will spread to make us safe against communism.

Perhaps some of us will be accused, because we have spoken up like this tonight, of filibustering. It may be said we have delayed the workings of the House of Commons. It might be better for some of us to face a little delay and do a little sound thinking with regard to keeping this country together, because this is most important economically. I now wish to put forward a practical approach to this problem, Mr. Chairman. Today is Monday, July 13. I would ask the press particularly to turn to page 11 of our *Orders of the Day*, where they will see what has been accomplished in this parliament since May 13. Compare this with any other parliament and you will realize we are doing a little better than we did in previous parliaments. This is most important. We have done very well this session. I say this with the greatest respect, but it may be just a coincidence that the Prime Minister has been out of the House of Commons and has been in London for the last few days. But whatever the reason, we have done a little better and the word is proceeding. Thirty eight items have been passed, and this is a little better than average. As far as I am concerned, as one who observes parliament from day to day, this parliament is going along normally. The sole reason for my raising this question is that I have been accused in the past when I have risen in my place—as have many other hon. members when making speeches—of holding up the business of the house. Let the government put the business on the order paper, and it will be done.

Mr. Thompson: Mr. Chairman, the hon. member for Bow River does a lot of talking in this house. Sometimes what he says makes some sense. I must compliment him tonight on the fact that most of his remarks make quite a lot of sense. But some of them do not make so much sense sometimes. A short while ago he tried to point out that the municipal

debt of Alberta was as high as or higher than that of most provinces in Canada. What he did not say was that more than $400 million of this debt is owed to the provincial government. Any time the provincial government wanted to do so, it could wipe out that debt and no one would have been the loser. It does not do so because it uses this money on a revolving fund basis to help the development of municipal capital projects.

Mr. Woolliams: Mr. Chairman, I wonder if the hon. member would allow a question?

Mr. Thompson: I did not ask the hon. member any questions when he was speaking, Mr. Chairman, so I would prefer that he wait until I have finished.

Mr. Woolliams: I have just one question.

Mr. Thompson: You may ask me a question when I am through speaking. He does not really like to hear these comments, Mr. Chairman, but this is the basis upon which Alberta has developed its resources and municipal finance, so that today there are more towns and villages complete with sewage systems and water development, and more miles of paved roads simply because they have used their own resource capital for the development of their municipal and city areas. But this is not the question to argue about tonight, because even provinces such as Alberta or British Columbia, which have been able to balance their books and run things in rather an efficient way down through the last number of years, today face problems which even their administrations are going to find very difficult to overcome.

The reason is simply this. Under the policies of the federal government we are faced at the present time with a situation where the sum total of government expenditure, provincial and federal, tends to be much more than the sum total of government income. Last year—as I mentioned the other night—the federal and provincial governments of Canada spent well over $1 billion more than they took in. The situation is going to be worse this year, simply because under the limitations of the present system there is no other alternative; and unless something is done to change this situation we are really going to be in financial difficulties. It all comes back to the question of the provincial fiscal arrangements that are in existence at the present time. I would suggest to the Minister of Finance that it does not really matter so much how these provincial fiscal arrangements are juggled; it is the taxpayer who pays the tax dollar and it is he who is carrying this ever spiralling burden of tax load that is heaped upon his back.

Therefore I would suggest to the committee that unless we face up to this issue and get at the fundamental cause of the situation, merely doctoring it up as we are doing is not going to change anything or help the situation at all. After all, it is the taxpayer who pays the tax dollar. While we may talk in this house a great deal about how we are going to adjust the expenditure of the money that is collected from taxes or borrowed in the taxpayers' name, how we are going to change our basis of sharing this tax income does not matter because under our present system with regard to debt, it is bound to increase and the tax load will go up with it.

As I mentioned the other night, 15 per cent of all our federal income goes just in paying the service cost of our federal debt. Likewise there are similar difficulties in most of the provinces. Even more difficult than provincial or federal financing is the question of municipal financing. There are literally scores of municipal governments in this country today which have borrowed up to the hilt and cannot borrow any more. This is because the debt burden they carry is more than their normal tax load can manage. So I am absolutely convinced it is essential that in dealing with this subject we must face this thing at its very roots.

One of the ways in which our provincial and municipal governments could be helped so much more than they can be helped by juggling our provincial fiscal arrangements is to make available that capital which is necessary for capital development, and to make it available on an entirely different basis than what we are doing at the present time. We have talked a good deal about social capital, the term accepted today across the country to describe the money necessary for the development of our social capital needs. Rather than operate on a deficit basis as we are at the present time there is no reason at all why such social capital cannot be made available through the Bank of Canada, under a separate arm of the Bank of Canada such as is the industrial development bank. On such a basis we could really provide the assistance to the provinces which the provinces need so urgently, and will be able to help them a little out of the crisis they face because of the problems which are part of the federal-provincial fiscal arrangements about which we are talking tonight.

The other day in speaking to this resolution I referred to the remarks the minister had made when he presented the resolution to the house. The minister expressed concern about the continuing increase in deficits, and said there is a limit beyond which the federal government cannot go. To me this brought to mind a statement made previous to these remarks, in which he said that during this coming fiscal year he expected there would be a deficit of $455 million according to the traditional method of accounting. At that time I asked him a series of questions, and I referred to his reference to traditional methods of accounting. If we could have the answers to the questions which I posed to him, I believe we would have answers which would show that it is possible to provide social capital needed in this country without the tremendous debt load it carries today. I want to put these questions back on the record, and I do so because this afternoon—

Mr. Horner (Acadia): Would the hon. member permit a question?

The Chairman: Order. The hon. member for Red Deer has the floor and apparently does not wish to answer any questions.

Mr. Thompson: I mention them at this time because this afternoon the minister stated he did not think it was necessary to answer these questions at this time because they did not relate to the resolution before us. I disagree with him about this because these questions take their root in the very fiscal arrangements which we are discussing, fiscal arrangements which are so important to the provinces and which I do not think are being handled properly at the present time.

My first question is: To what extent has the Bank of Canada purchased government bonds? That is a simple question, very easy to answer, and it will take the right person only a few minutes to find the statistics to answer it. Second: What is the average length of time that these bonds are likely to be held before they are sold? Is there anything difficult about that question, Mr. Chairman? It is really very simple. The third question is: How many of these bonds are likely to be held until they mature? That can be very simply answered too if the minister has the available statistics to which I am referring. How much money is actually paid to the Bank of Canada in interest on these bonds which the Bank of Canada holds? I have reason to think there is a good deal of money going back into the consolidated revenue fund as the result of the interest paid on these bonds. My point is that if this can be done as far as our present financing is concerned, why cannot it be done to assist the provinces and the municipalities as well?

Another question I asked the other night was: What portion of these charges, this accrual of interest charges on government bonds, is returned to the consolidated revenue fund? I believe the minister owes it to the committee to answer these questions, because in the answers to these questions lie the solutions to some of the problems the provinces are facing. I would ask, Mr. Chairman, that the minister give the answers to these questions while we are still debating this resolution, or on the bill which follows.

Mr. Rhéaume: Mr. Chairman, I only want to take a few minutes of the time of the committee to comment on the minister's opening statement about the tremendous degree of amity which has been Canada's experience over the last year, ever since the Liberals came to power, in terms of federal-provincial relations. I cannot let his statement that there has been nothing but love go by unchallenged. Tonight I want to discuss this subject for a few minutes because in fact there has been absolutely no consultation, ever since the Liberal government came to power, between the federal government and the governments of the Yukon and Northwest Territories.

I realize, Mr. Chairman, that my hon. friend and colleague from the Yukon covered most of this in his remarks earlier today and I will not repeat what he said. Surely it will suffice to point out to the committee that I think there has been little respect shown for consultation and little indication of concern on the part of the minister or his colleagues for the people in the north. In fact, the Liberal government have been so concerned that they have allowed the government of the Northwest Territories to lapse and go out of being completely, so that for a period of four and a half months last winter, from December to March at any rate, we never had even a legislative council in the Northwest Territories. That is the extent to which this government is concerned about democracy in some 50 per cent of Canada.

Perhaps I may be permitted to point to another example. Ever since the twenty sixth parliament the hon. member for Yukon speaking for the Yukon, and I representing the Northwest Territories, have been asking the federal government to allow the governments

of the Yukon and the Northwest Territories to sit in on federal-provincial conferences. It may come as a surprise to the members of this committee, indeed to the public at large, to learn that the territorial governments of the Yukon and the Northwest Territories are not allowed to sit in on these federal-provincial conferences, not even as observers. When I look up the index for the first session of the twenty sixth parliament I find that on five different occasions I pleaded with the federal government to allow us representation at these conferences, and every time I was turned down. I find that the hon. member for Yukon made the same request six times. On looking at what has gone on since the second session commenced I find that the hon. member for Yukon and I have each on six different occasions begged this government to allow the Yukon and Northwest Territories to send an observer to these meetings, to this tremendous consultation which is going on, and we were refused every time.

Twenty four times in the last 15 months we have asked the government, "Would you give those of us who live in the north a chance to have a representative sit in at your meetings?", and the answer we have received is that we are to be represented at the federal-provincial conferences by the Minister of Northern Affairs and National Resources who is going to negotiate for us in a hard-headed bargaining type of way. What kind of nonsense is this? To what extent is the minister going to get up on his hind legs and defend the interests of the north?

When the Minister of Citizenship and Immigration and the Minister of Justice got up and said to the minister of northern affairs, "We are going to sell the Eskimos, in order to make a little deal over here with the province of Quebec" to what extent did the Minister of Northern Affairs and National Resources stand up and say, "You shall not make a deal to sell these people." If it had not been for the official opposition the deal would have been made.

Mr. Francis: Relating to the remarks which the hon. member has made, has he discussed this subject with the hon. member for Pontiac-Témiscamingue today?

Mr. Rhéaume: Mr. Chairman, if I am allowed to have the floor now, I will continue. When the Minister of Finance said that everything was tremendously smooth I was interested in what he said as recorded at page 5,181 of *Hansard* for July 7 last:

[Mr. Rhéaume.]

I had to have some sort of introduction.

That is how he explained what he had been saying. So far as the Yukon and the Northwest Territories are concerned there has been no consultation since the government took office. The minister's statement is completely misleading in its application to what the truth is in the north, and I have no reason to accuse the minister of telling the truth in southern Canada either. As a northerner it seems to me that we are not to be allowed consultation in federal-provincial matters.

Do the federal ministers really understand the needs of the country? If we are not allowed to have our own people at these conferences we want to know to what extent the ministry knows about northern matters. I shall give two examples, and one is the fascinating statement made by the Minister of Agriculture as recorded at page 5239 of *Hansard* for July 9, when he was asked to what extent the government was going to implement its program of free milk for children in Canadian schools. The minister was fresh from a breakfast he had just thrown for some 3,000 people in Calgary where they cooked up 350 dozen eggs and this minister, with his hands spread across the fullness of his being, said that most Canadian children are so full of milk that they cannot possibly hold any more.

Let me read to the minister and his colleagues a little bit of what in fact is the truth of the situation among some thousands of children in the Canadian north, and I may say this is not just in the Yukon and the Northwest Territories. I am quoting from page 224 of the Hall commission report—and I suggest to the fulsome Minister of Agriculture that he should read it before making these kinds of statements.

"Inhuman"—is the way a public health nurse described, in the course of a conversation, the living conditions of the Eskimos in her community. An apt description indeed. To realize this one has to shed the romantic ideas of Eskimo life, derived from children's books and movies, and walk through a settlement of Eskimo tents on a cold September night with the wind and rain lashing against the flimsy tents, babies crying and whimpering, and children and adults alike coughing inside. Outside is the stench of human and dog excretion and of rotten food scraps. The tent houses not only the family but all their belongings and implements—

Substantial beginnings have been made against the odds of northern logistics in the provision of health services, housing and some means of sanitation. Nevertheless, hundreds of families still live under conditions that would not be tolerated elsewhere even in a more moderate climate.

The members of the commission were so staggered by conditions that they made a recommendation saying:

> While it is beyond our terms of reference to make recommendations in these related fields, we suggest that considerations of humanity and economics make it imperative for governments to to take comprehensive and practical actions in these related fields because without them the serious health problems facing Canadians everywhere but particularly in the north cannot be adequately and effectively resolved.

I am using this merely as an example, but I suggest to the Minister of Agriculture that he go back into the next meeting of this multimillionaire cabinet that characterizes the government and tell his colleagues what is going on and ask them to reinstate this program for free milk for school children in the Canadian north, many of whom do without milk from the time they are weaned. If he has any doubt about what I say is true I defy him to go to the Minister of Transport and ask him if it is true that the children in Newfoundland are so stuffed with milk that they cannot possibly stand any more nutrition.

I shall give another example of the kind of thought and ignorance that characterizes the government in terms of northern needs. Today I asked the Acting Prime Minister if the government would consider giving everyone in the Northwest Territories the right to vote. I asked this because the Prime Minister is over in London telling the people of the world that the commonwealth must give leadership in seeing to it that people of all colours, creeds and levels have an equal chance of citizenship. The Acting Prime Minister got up and said he did not understand; that there was no logical connection between these two statements.

Surely the government is aware that there are 10,000 Canadian citizens in the north, mostly Eskimos, who are not allowed to vote for their councillors who make their laws on education, on health, on furs, trapping and liquor. Surely he must have answered facetiously. I have a couple of quotations here that I simply will not deny to the committee, relating to the visit of the Prime Minister of Frobisher Bay. He was on his way from the breakfast party for the 3,000 people in Calgary, this great breakfast orgy the Minister of Agriculture had. It was not like the Roman orgies; it could only be compared to the orgies the barbarians had after they sacked Rome. This is a press report from the Edmonton *Journal* of July 7 last:

> The Pearsons were surrounded by flag-waving children who giggled delightedly whenever Mr. Pearson gave them a friendly pat on the head. Eskimo women, with babies packed on their backs, puffed on cigarettes, smiling proudly with each prime ministerial greeting.
>
> "I am very happy to be with you tonight," Mr. Pearson said. "We are all Canadians—the only difference is that you were here before we were."

If the Prime Minister wanted to tell the truth to those Eskimo people he could have told them about a few other differences. For example, he could have told them, "You are not allowed to vote for your own territorial legislators who make your laws on fur, game, liquor and education." He did not say to the Eskimos, "Your men have a life expectancy of 26 years and your women of 21½ years, while ours in the south is 60 years." He did not say to them, "Your infant mortality rate, my fine Eskimo friends, is four times as high as that in the south, and 40 per cent of your grandchildren will never live to celebrate their first birthday." He did not tell them, "Death from infectious diseases among you is ten times as high as among us in the south and you will have ten times more deaths from tuberculosis." He did not tell them, "Ninety per cent of your men are unemployed,"—at a time when the Minister of Labour is saying that unemployment is now a seasonal thing in Canada. He did not say to them, although it amazed me, that they are so stuffed with milk they need nothing from now on but three maple leaves to be happy.

A new book has just come out, and before the Prime Minister or any of his multimillionaire cabinet visit Frobisher Bay again I suggest they read it. It is a book entitled "Eskimo Administration, Canada", and it is written by Dr. Diamond Jenness, a world renowned authority. It has just been published, and because the statistics I have already given on infant mortality are taken from this book I will do nothing more than read parts of the index: chapter 1, "Government Myopia", chapter 2, "Wards of the Police", chapter 3, "A Shackled Administration", chapter 4, "A Shackled Administration (continued)", chapter 5, "Bureaucracy in Inaction", chapter 10, "Steering Without a Compass". And so on. It is sickening. Yet the Minister of Agriculture, fresh from a breakfast of 350 dozen scrambled eggs, says that Canadian children are so full of milk we cannot get any more into them. Shame.

Mr. Watson (Châteauguay-Huntingdon-Laprairie): Can the hon. member tell me when Diamond Jenness gathered the facts that are in this book?

Mr. Rhéaume: The figures I gave on infant mortality, disease and so on are for 1963. In any event, before the Prime Minister decides to visit these benighted people of his and pat them on the head I suggest he find out what is going on in the country and that he and his cabinet be careful before they go around saying that everyone is so well fed.

Mr. Dupuis: It is 1962-63.

Mr. Rhéaume: The figures are 1963.

An hon. Member: Were they any different in 1962?

Mr. Rhéaume: Here we go, Mr. Chairman, with that great Grit argument that says that since things were not done before, they need do nothing more. I have said in the house before that the great belief of Liberalism is that you do nothing except take office and that by some strange osmosis, by some mysterious alchemy, everybody in Canada is better off. The Minister of Agriculture stands there and says: Why, we are drinking sillabub in Calgary, and everywhere else everybody is full of milk. I do not know what the minister is full of, but Canadians in my part of the country are not full of milk.

With respect to the whole matter of federal-provincial relations it is frightening to me when I see nothing being done in the Canadian north. In the last 15 months federal spending has in fact dried up. When I think of the projects which are now in the process of offering hope to the people, I realize that not a single one of them has been started in the last 15 months. They are all merely carry-overs. I do not mean they are not good. The Great Slave lake railway will penetrate the Northwest Territories. For the first time on August 10 steel will have crossed the 60th parallel. Every Liberal in the House of Commons voted against the Great Slave lake railway when the bill was before the house. Telecommunications are in fact being extended down to the Arctic ocean, but this is not a new program; it was started three years ago. The same is true of school construction.

What is frightening to me as a northener is that the tremendous effort put forward in the five years of Conservative administration was merely a beginning. When the hon. member for Châteauguay-Huntingdon-Laprairie asks whether these terrible conditions among the Eskimos existed in 1962, the truthful answer is yes, they did. Certainly they did. But the fact of the matter is that in 1962 some 60 per cent of the Eskimo children at least had access to schools compared with less than 15 per cent in 1957.

I am one who has never tried to suggest in the house since being elected that all the answers were provided by the Conservatives, but the groundwork of schools, nursing stations, hospitals, communications, airports and roads was laid. A good start had been made, against tremendous opposition by the members of the opposition of that day, the Liberal party of Canada. They said it was a nightmare. I am not going to repeat all the things they said. Let it be clearly understood that the facilities that were then being provided were nothing more than the groundwork. At no time did the previous administration ever say that everything was solved and that there was nothing but harmony, sweetness and light in the Canadian north.

The previous administration said many times—I used this at the time I was campaigning; it was true then and is still true—that the maddeningly slow job of counteracting the terrible human problems had begun. What frightens me and what I lay at the doorstep of the present administration is that they have cancelled this program, and I suggest that the things they have done are not worthy of respect.

One or two programs that perhaps did have a bit of imagination when applied in the south are completely stupid when viewed in a northern context. I think of the winter house construction program. I would love to read the Minister of Labour some of the letters I have received from northerners who are trying to qualify for the $500 bonus under a program that contained no special provision for transportation problems long after the rivers are frozen up and you cannot ship stuff in there. The program made no provision for climatic conditions. One of my constituents said to me: I am sure the Minister of Labour does not know whether he is talking about Hay River in the Northwest Territories or Florida.

I think of how the Minister of Labour said in the house that the government was going to lessen the number of months in which municipalities can qualify for the municipal winter works program. He said that winter in this country only extended

from late November to early March. I do not know when winter ends in Inverness-Richmond or wherever he comes from but I can tell the house that I was at Cambridge Bay and Coppermine in the Northwest Territories about 10 days ago and the water is still frozen, with the result that the ships will not get in for a while yet.

Ever since the government took office there has been a complete absence of any reference to the Northwest Territories and the Yukon. Just a few weeks ago the hon. member for Yukon proposed a resolution that would have done something in terms of tax relief for the north. The hon. member for St. Lawrence-St. George, who is a bit of a northern expert by virtue of having made two trips in a DC-3, talked out the resolution. He said: No, this is not a good thing for northerners; if there is anything that would harm them it would be an income tax reduction. His remarks were fascinating and not only in terms of their strange logic because it is usually that embryo leader of the Liberal party in Ontario, the hon. member for Renfrew South, who does these things. But here we had the parliamentary secretary to the Minister of Northern Affairs and National Resources saying: No, no, from my vast and profound experience of the Canadian north the people do not need a tax reduction. It is a bit like the Minister of Agriculture saying that children do not need milk.

An hon. Member: How many trips did he make?

Mr. Rhéaume: He made two trips. Having made these remarks I am going to close with a plea to the government. I want them to be a bit like the Secretary of State for External Affairs when he said: Well, if I said that I was obviously wrong. I want them to admit their mistakes. I want them to resolve that in the interests of the poor, ragged and tattered people who frequent Canada's north they will depart from this policy of helping only those areas where the most federal seats are.

The charge has been made that the Liberal party has never really cared about equal opportunities for Canadians, that they only worry about those places where they can get the most federal seats. There are people who believe this is one reason why the change was so obvious under the previous administration, in that for the first time in Canada the maritimes, the west and the north received a fair share of the federal treasury. If this charge is not true, and I for one would like some evidence from the present cabinet that it is not true, then maybe some day in the future some prime minister of Canada can alight from an airplane at Frobisher Bay on Baffin island and honestly say to the people there, "We are all Canadians; the only difference between you and me is that you were here first."

Mr. Moreau: Would the hon. member permit a question?

Mr. Rhéaume: Certainly.

Mr. Moreau: In view of his statement that the Liberal party do not believe in equalization of opportunity, I wonder how the hon. member justifies his party's position on family allowances which, I am sure he would agree with me, is one of the greatest equalization factors for the Eskimos in the north?

Mr. Rhéaume: It is difficult to answer this question in a few moments. I do not happen to be an expert on what went on in this house in 1944, as my hon. friend from York-Scarborough is. However, I do know this—the hon. member for Winnipeg North says the hon. member doesn't know even what is going on now. I do not believe that is quite true. I do know this, I will stand behind the record of the leader of the official opposition in so far as social justice in this country is concerned, if the hon. member for York-Scarborough will do the same.

Mr. Leboe: I have no intention of making extensive remarks tonight. However there are one or two things I should like to mention. There was a reference made this afternoon to succession duty taxes in British Columbia and to people moving out to British Columbia, thus enabling that province to benefit from the succession duties. I should like to remind the committee there is something else that takes place that is very important. As a result of climatic conditions, a good many people go to British Columbia looking for work and they become a charge on the municipalities and the province of British Columbia. When you are out of money and you have to go on welfare you might just as well live in a warm climate, so people go to British Columbia and bask in the beautiful climate.

An hon. Member: From the Yukon?

Mr. Leboe: I do not know whether or not they come down from the Yukon. Those people are generally wealthy, I believe, and that is the reason they are up there.

Now, the minister did say something about understanding in Canada. When he replies, I should like him to enlarge upon the statement he made that there were people in Canada who were making understanding between the various sections of Canada more difficult. I should like to know what the minister had in mind when he said that there were these people. If the charge is left as it is, it is a little difficult to know whether he is talking about one part of Canada, two parts, or six parts. I should like to have him deal with that.

Reference was made this afternoon, also, to the Alaska highway. I think this, along with the trans-Canada highway, is something that does enter into the fiscal arrangements between the province and the federal government. There is no secret where I stand on the subject of the Alaska highway. I believe that we should get along with the paving of those sections which fall in the alignment and which do not require a great deal of reconstruction before paving. British Columbia has offered to pay one half of the paving cost to the northern boundary of British Columbia. I believe the federal government should move immediately in this direction. I am sure the minister of northern affairs and the Minister of Public Works agree with me, but unfortunately they have deputy ministers who are perhaps a little more difficult to deal with than the ministers.

If this extra paving is undertaken throughout the whole length of the highway which falls within Canada, then the work should be done by Canadians under Canadian contracts. If this were done we would avoid the serious situations which evolve when you have United States contracts and Canadian contracts and the United States contractor may be paying $3.50 for a catskinner while the Canadian contractor may only pay $2.55. We would avoid this situation and we would also be able to collect from the United States after negotiations had been completed. We are not giving away all our trump cards because sooner or later the United States will want a railway to Alaska. When they do, if they have not settled the Alaskan highway question properly, then they are going to be in difficulty with their railway to Alaska.

I should like also to mention a situation in connection with the returns to the provinces from natural resources. I have not heard the minister answer this question as yet, and I have been here most of the time. Has consideration been given to the value of the returns to the provinces for the natural resources that have been alienated? I recall an article some years ago in the Toronto *Telegram* which pointed out that out of an equal number of units, shall we say, of the alienation of natural resources the province of Ontario had $4 million returned to the people whereas a like amount gave the province of Alberta $112 million. I am wondering whether or not this return to the people of the provinces from their natural resources is taken into account when the figure is used as a basis for taxation purposes under this new scheme.

The minister also mentioned that there were circumstances surrounding the provincial situation now that were not contemplated. I gathered from that he was referring to the fact that Ontario is not left alone as the basis, as it were, but several provinces are brought into the picture. I take it from his statement that is the accepted thing. If you are going to develop a province, you will have to create in that province an industrial climate, and this is exactly what has been done in the province of British Columbia to the extension of railway, and hydro facilities. Any province that will go into the business of earnestly developing power and transportation facilities is bound to get more development for that province.

The hon. member for the Yukon and the member for the Northwest Territories mentioned the development of their areas. I think they have a good point. Rather than try to penalize provinces that are developing their natural resources, why not pour a little money into the northern areas to help develop those areas? I think these hon. members have a good point which should be followed up vigorously. If the federal government did that, then perhaps in the future they could gather more taxation from that area. It might be a fertile area and well worth spending some very large sums of money.

We have been talking about the difficulties that we have in the provinces and municipalities. We know that today expenditures amounting to millions and millions of dollars are being wasted for national defence. I should like to pose this question for the Minister of Finance. Would he be able to tell us, if suddenly we were confronted with a situation in which this defence expenditure were put into the production of consumer goods, where the money would come from to buy those consumer goods which would be turned out instead of armaments? I think there is a dilemma facing the minister here

which he would hate to contemplate. It has been said over and over again—and it is a difficult thing to say—but sometimes we wonder whether we can afford peace under our present financial structure. There is some sense attached to this. I can recall the period during the war when we in Canada were faced with great inflationary pressures because of the fact that huge sums of money had been pumped into the war effort. So we devised a scheme of victory bonds, war savings certificates, war savings stamps and compulsory savings so as to take money out of circulation and hide it away against the time when it could be filtered back into the economy after the war had ended. We know today that the Liberal government was able to balance its budget for nine years with money which was flowing back as a result of returns from savings certificates, war savings stamps, compulsory savings and so on.

When the situation is in reverse, as it is today in many parts of the country, should we not have the same financial process making sure that the purchasing power is in the hands of the people so as to buy back the things which they themselves produce by using the methods which were used during the war to prevent inflation, only in reverse? Should not the converse be brought into being so that we could put money into circulation at municipal level so as to establish a greater increase in the amount of goods and services which are taken home and actually used?

There was a program on television last night dealing with what they call cybernetics—automation and technological advances. Something which Mr. Aberhart said 30 years ago was said on that program last night as if it were a new idea. That is, the day is coming when people are going to receive cash money in their hands which they have never earned, but which is rightfully theirs because of the ability of society to produce goods and services in a modern machine age. This was put across on television as though it were a new concept. But if you look back into the record of history you will find that Mr. Aberhart pointed this out 30 years ago.

I say to the minister that if we were suddenly to find ourselves without any need for national defence capital spending, he would certainly have to revolutionize his present ideas. One alternative would be for him to answer the questions which were placed on the record today, for the second time, by my leader the hon. member for Red Deer. If he would answer those questions, perhaps he would have some idea how to extract himself from such a dilemma as I have just mentioned.

Mr. Willoughby: It is certainly not necessary for me to tell this committee that I am not a financial expert, and I am certainly no economist. But I am one of the representatives from the province of British Columbia and I am disturbed about some features of this resolution. I hope the Minister of Finance will make them a little more clear to us when he has the opportunity to do so. It seems to me the hon. gentleman has perhaps taken too literally the fact that British Columbia is supposed to be debt free. It looks as though British Columbia is in serious danger of coming out on the short end of this deal.

I am sure every one of us in this committee agrees that adjustment, or abatement, as long as it will create harmony in Canada and assist parts of Canada which up to the present have been less happy economically than some of the other provinces, is to be supported. On the other hand I think they would also agree that to create harmony in one part of Canada while at the same time creating disharmony elsewhere is not an answer to our national problem. I do not intend to go into detail on the subject of this resolution because I do not consider myself qualified to do so, but I do wish to bring up certain points for the minister's consideration in the hope that he will throw some light on them when he has the opportunity to reply.

The resolution before us changes the basis upon which equalization is to be paid from the national average to the average of the two top provinces. This being so, British Columbia and Ontario are caught in the squeeze again because they are the two top provinces and, obviously, the rest of Canada will benefit out of general revenue in some way so as to make up the difference. The raising of the succession duty rebate to 75 per cent will not make any difference to the province of British Columbia because we have been among the fortunate ones, to that extent, in the past.

What I am worried about is this: 50 per cent of the natural resource revenue of the province is to be deducted from any sums to be abated to the province. It is obvious from the table which the minister gave us last Tuesday evening that under this formula British Columbia will receive only a very small amount of the increased revenue which

is to be distributed among the provinces. This to me seems unfair. I should like to ask if it is right that we should have to contribute toward the expenditures of this country under this abatement plan the amount of money which is received from expendable resources. We know that some of this resource income is derived from sources which are not permanent—they are bound to be a declining asset. I think the majority of us from British Columbia realize that the assets which are to be taxed under this new scheme will include our forests, our gas, our oil and perhaps some of our mining resources. These are expendable resources. They are provincial assets and I cannot see how we can possibly allow them to be taxed on such a basis as is now proposed. I hope the minister will make sure that these resources are at least maintained, so that we shall not be overpaying our share of taxation. I should also like to ask, particularly with regard to forestry, whether we are to be taxed on the gross profits of our forest resources or whether we are to be allowed to deduct the cost of maintaining such necessary services as protection against fire, reforestation and so on. I hope these matters will all be clarified when the minister brings in the bill. I hope he will tell us just what he means by natural resources in relation to forestry products.

There is one other question. Where does hydro power enter into this picture? Is that a natural resource? Does the minister contemplate that the sale of Columbia power to the United States means we have a resource which is taxable? These are things I want to know about; they are things the people of British Columbia are entitled to know about. I have no intention of speaking any longer, Mr. Chairman, except to say that I put these questions before the minister in the hope that he will give us a further explanation on the bill upon which this resolution is based, in order that we may have a better understanding of what we are faced with in British Columbia.

Mr. Nugent: Mr. Chairman, I thought the hon. member for Northwest Territories touched on one aspect of the problem that must always concern members of this house; that is, the question of the division of the taxation dollar available in Canada. I do not say this just because that territory does not have the same kind or form of government as the provinces; but it is a fact that this territory is a very vast land which is sparsely

populated. It is new frontier. We know something of some of the wealth it contains, but we have very little conception yet of just how valuable those resources may be to the whole of Canada once they are tapped.

I think these are questions that have occurred to most of us when we have been considering the question of comparative wealth and the opportunities of each of the provincial governments when considering their own natural resources, their own markets, populations, etc. Certainly the first thought that occurs to my mind is that if there is a responsibility to develop an area of Canada so that its natural wealth may become available to our children and grandchildren, if we look forward to the day when those resources may be absolutely essential to Canada's needs at a future date, there must be a government that has the financial resources and is able, because of its constitutional power, to give leadership and make provision so that we can develop that part of the country.

Mr. Chairman, you will note that I referred not only to financial resources but to constitutional power. I think this is a question that has not bothered members of this house enough when we have been dealing with taxation possibilities in this country. Anyone who has looked over Canadian development during the last few years, certainly since the war; anyone who has been aware of the challenge to this nation to meet changing world conditions; anyone who has considered our position tradewise and industrywise, our trade patterns, and has considered tax concessions and trade agreements, must realize that the good of the whole country still depends upon the power and strength of the federal government.

I would like to illustrate this one point in my argument with reference to our trading program. I would like to remind members that the problem presented to Canada a few years ago, when we came out of the war, was that we were a country rich in natural resources; that we had developed only those resources primarily that supplied raw materials; that automation had displaced people from jobs in these industries, and we found that if we wanted our people to be gainfully employed, only in the manufacturing of our own raw materials could we provide that kind of employment. We therefore had to develop our secondary industries; we had to find the money for them; we had to find the trained personnel, and Canadians after

the war were not well trained; they were not even well educated. We sometimes forget that in a land as rich as Canada, where for so many years there was so much opportunity for a man of ingenuity, strength and desire to carve himself out a very comfortable living, there was not the accent on the need for formal education to enable a person to make his way in this country. Canadians were, classically speaking quite an ignorant people at the end of the last war. We found our general standard of education to be very low. The European cities who were starting to build their new factories with the latest automation devices concentrated on manufacturing industries and had large pools of skilled labour to draw from; and we found we had none.

I suggest that anyone who looks at the crash program we undertook to provide money for vocational schools, to provide scholarships and bursaries, and the incentives we insisted upon so those schools could be built in order that Canadians could start to be educated and take the jobs we were beginning to provide in our new industries, cannot say that education is simply a provincial affair. I know I am treading on very dangerous ground when I suggest that the federal government has any responsibility or should have any say in this field; but I think I have illustrated the point, and our history illustrates the point, that whereas education was a provincial responsibility, it had become a federal responsibility to try and match the economy of this country with the demands of modern civilization. The provincial authorities, not having the responsibilities in this regard, had not looked far enough ahead and had therefore failed to meet the educational requirements of the changing situation.

I presume that those who preach the sanctity of provincial rights are going to say, "What should have been done was turn this money over to the provinces so they could have built these schools". But it was not just a case of turning the money over to the provinces; it had to be a case of achieving the desired objective of Canada as a whole. If we had given each provincial government a certain amount of money and had said, "Spend it on education", they would have said it was within their right to spend it as they saw fit and we would not have had nearly the effective results that were needed in this regard.

It is this aspect of the national problem of the sharing of the tax dollar that I think has not received enough consideration in this house. Today there are too many responsibilities that must be tackled on a national scale. The hon. member for Northwest Territories pointed out how the people in his area are neglected and what their standard of living is like. He drew attention to some of the difficulties they have to put up with. And they are all Canadians. I think those of us in this house would agree that if they are able and willing to work as hard and apply themselves as industriously as the rest of us in other parts of the country, there is nothing unfair in suggesting that they should be entitled to a fair standard of living. I suggest that in many of our negotiations with the provinces this question has bothered the provincial governments very little, if at all. As the hon. member for Bow River pointed out, certainly it is the job of each provincial premier to try to get the most for his province; and I can certainly understand the adversary system whereby you have everything best said by a person appearing on one side, and then the best said on the other side. The premiers come and defend their needs and the federal government must defend the needs of the federal government.

I suggest to hon. members that no matter what constituencies we represent we are all elected as members of parliament for Canada, and we cannot get too parochial in our views. I suggest we must be Canadians first and members of a province next. I am afraid we must look at some of the financial responsibilities under the British North America Act, and instead of saying that our only problem is to redistribute the tax dollar so as to allow the provinces to carry out those responsibilities which they are stuck with and which grow on them each day, we should perhaps take a close look at the powers which the provinces have and at the powers the federal government have and see whether more of the provincial responsibilities cannot be shared by the federal government. I am not suggesting that these powers necessarily have to be transferred, but I do think that if those problems which are important to all Canada are to be tackled in such a way as to give any sort of equality to the people in Canada, despite differences in the natural resources of the different provinces, there must be more uniformity in those projects which are so important to the trade and industry of each province.

I find it a little distressing to find signs of interprovincial strife in attracting industry. Certainly it sounds well and good for each

province to do what it can to attract industry to its area, but we wonder how far we can go in making concessions to certain firms because they are located in a given province before we are penalizing other firms because they are not so located, and I mean other Canadian firms. I wonder how far we can go in this direction before it can honestly be said that interprovincially, so to speak, we are erecting trade barriers between provinces.

I suggest that wherever new industries or depressed areas come to the attention of the provincial governments, if we are going to put more financial power into the hands of the provinces, part of which money being used to develop their own resources, it may be necessary to force the provinces to co-operate a little better across the country so that there is more uniformity in the manner in which concessions to industry are made.

The hon. member for Bow River mentioned the taxing powers of some former governments. We have certainly heard mention of some of the efforts made by the previous government to equalize the tax benefits throughout the country. The province of Newfoundland is not very rich. The Northwest Territories has tremendous problems. The province of Prince Edward Island is very small, and probably overburdened because it has to bear a provincial government for such a small population. If all provinces are to be treated alike there cannot be equality of opportunity; there cannot be what I call a fair Canadian share of the wealth of this country, by any stretch of the imagination. I think that when we are considering taxation and concessions to one province or another, as soon as we start making an exception of one province and as soon as we bring in a federal plan which allows one province to opt out, we are opening the door to fragmentation. I think the pension plan as it was first envisaged was a particularly pointed example of that sort of thing. Any scheme which is to be so far reaching that it might in a few years build up such tremendous sums of money and which would be so important to so many people when it could not be called all-Canadian, which might in fact be competing with a scheme put forward by another province, to me presents one of the most ridiculous situations this country has had to face—one which I suspect the members of this house, from what I have heard so far, have not begun to dream of or are not very willing to look at. I suggest that this impact on the nature of the government, on the nature of democracy in Canada and on the nature of our federal-provincial relationship has not been seriously enough considered.

I think I have mentioned before in this house, and it will bear repeating, that once the provinces get their hands on the pension funds which will be built up, once each provincial government has the ability to put its hand on a large sum of money which it can direct toward aiding its own industry in its own way, when we consider that that has in some instances already taken the form of competition with other parts of the country, and when we realize that provinces always try to attract industry, I suggest that the ownership of that amount of money and the amount of influence it would have is bound to have a very far reaching effect on the type of government you will get in each of the provinces.

Carried not to its logical conclusion but just carried a step or two further, it is not hard to envisage provincial governments changing their policy or being kept in power because of the manner in which they have been able to use their money to attract more industry into the province. One of the ways to do this, of course, is by way of tax concessions within the provinces; tax concessions at the municipal level, making available special loan funds at special rates of interest, and so on. I suggest that once any of these devices fail to prove effective enough there is another simple step which can be taken if the province has the money. There is always money available for a provincial government to lend to some of its friends, or to set up business in competition with businessmen who will not co-operate. I fail to see how we can prevent such a natural course of affairs being carried on if we continue to regard taxation problems as though they were created for one province and by making special deals with another province. Every time there is a suggestion similar to that contained in this resolution, the question must be looked at on a dominion-wide basis. If one province for any reason is unwilling or unable to go along, if it feels this is an undue interference by the federal government in provincial affairs, then I suggest the alternative is not to surrender to the province and merely give them the money and aid in this fragmentation which is going to make life in Canada so much more difficult; the alternative I suggest is that the provinces themselves must co-operate. When they ask for special concessions, each and

every province, having regard to the wish of each to obtain autonomy, must be able to co-operate one with another. I suggest that this is not impinging upon federal authority. It is paying regard to the responsibilities of the province, and this will enable co-operation to take place. I also suggest it would provide the machinery for the federal government to assist all provinces on a common basis and would bring about some uniform method of handling each change in responsibility as the need for new sources of revenue arises.

I am afraid most of us have not looked long enough and hard enough at deficits. Certainly when the Conservatives were the government the Liberals made enough noise about the deficits and how dangerous they were, but we have seen nothing to date which indicates that the danger has passed. The present trend of concessions to individual provinces has done nothing but make the problem more acute.

When we consider such fundamental responsibilities of the federal government as deficits and our need to help through external aid the less developed countries, there is no doubt that any time this government considers the changing demands of society there is no reason for us to believe there will be less demand than at present on the federal dollar. Therefore I suggest that we look with extreme suspicion on any further scheme by which federal funds may go to one province for a distinct purpose where that province is going to use its money differently than another.

I have never been too enthusiastic about a strong central government but it is only basic, facing the political facts of life, to realize that a strong central government is essential is we are to keep up as a modern nation state. Other nations have gone to great extremes. They have started trading cartels. They have formed great state trading companies and restrictions are placed on private manufacturers on the way in which they can compete in foreign markets. Many new devices and stratagems have been used by those governments to make sure that they get a fair share of the world market.

I suggest that we are going to be called on more and more for such things as export credits and export insurance, for more and more use of devices such as aid to depressed areas, and more tax concessions for industries, for new industries and expanding industries. There is going to be a greater and greater demand, and if that demand is to be met by individual provinces rather than the federal government, then the intraprovincial warfare resulting is going to cripple this nation even more than the fatal flag issue has done.

I suggest that every time we are going to consider a resolution of this type we must take a look at what it is going to do to the powers of government, what it is going to do to the relations of provincial governments one to another, as well as what it is going to do about crippling the federal government so that it can no longer meet all those responsibilities it already has, not to speak of those which will arise in the future.

Mr. Baldwin: Mr. Chairman, I am encouraged to make a brief intervention in this debate because of the alert and intelligent interest which the Minister of Finance is giving to the members on this side of the chamber. I am sure he is absorbing with great interest the remarkable flow of ideas which have come principally from the official opposition and I hope that the bill which the minister has ready—that is, assuming it is ready in case he has not anticipated the speedy passage of this resolution—will contain some of the very intelligent and fine suggestions which members of the official opposition have been making. I am glad to see the minister has the bill and I hope by the time it is presented some of these suggestions will have found their way between the four corners of it.

The real pith and substance of the resolution will, of course, be contained in the bill which the minister is going to bring forward, and at that time there will be room for an excellent debate. At this stage I want to deal with what I think is a by-product of this resolution because it is my view that behind the façade of the resolution there lies one of the real problems which is gnawing at the vitals of this nation, and that is the virtual stumbling position to which our federal system has now brought itself, and which is exhibited in the type of resolution such as this which the minister has introduced to the committee.

The natural tendency is to shrug our shoulders and accept the necessity of this resolution as simply being the most recent patch on the fabric of our country's constitutional system, a patch which probably covers numerous other patches. It is an attempt, as usual, to attack the consequences and to walk past the real root causes of the situation, which develop

from time to time, compelling the federal government to provide these additional aids to the provinces. The trouble is like a hydra-headed monster, that every time we fix up a temporary solution of this kind unfortunately we find later that there are ten more problems which the federal and provincial governments have to deal with.

I think that is manifest when you just look at the order paper. Today there appeared under government notices of motions the bill dealing with the loans to students. A short time ago we passed the bill dealing with youth allowances. These are excellent programs. I am for them and I think they are going to do a great deal so far as the educational facilities of the country are concerned. But what are they going to do with the financial position of the provincial governments? There is going to be a tremendous amount of pressure exerted on them to provide the fiscal plant and facilities which the provinces are compelled to provide constitutionally, to take care of the increased number of students who, I hope as a result of these two measures, will be seeking to secure a better education. This means I suppose that in two or three years the minister will be met at the conference table with demands for more money to meet the requirements to provide these additional educational facilities.

There are other measures on the order paper, measures to provide for the old age pensions, in which the provinces have a direct financial concern. There is a measure to amend the Crop Insurance Act which is probably going to draw more provinces into the crop insurance field, and is going to place some financial burden on those provinces. There is a measure dealing with the department of forestry and rural development, which leads us to think of the ARDA program, which causes a financial burden on the provinces. Then there is this particular measure itself. These are just a few of them and my submission is that this simply means we are only trying to strike down the effects of our failure to deal with this matter as it should be dealt with, by going right to the root of it.

Parenthetically I think it is quite a tribute to the flexibility of our system that we have been able to adapt it, to mould it, to change it, so that when during periods of two great wars additional strength was required at the core or heart of the federal government, that strength flowed into the government at Ottawa. But conversely now, with a weak government far too sensitive and susceptible to public opinion, with strong, almost domineering provincial governments and leaders, we find the flow of strength away from the central government to the provincial governments.

I feel that if this tendency continues and increases, as it is bound to, in the not too distant future the stresses and strains upon our constitutional system will probably cause it to snap. There is no doubt that these movements are so strong and irresistible that thoughtful Canadians are beginning to wonder if the tide will leave the federal government stripped of the minimum and essential power to deal with matters of fiscal administration and trade policy. Once this happens, then we are in a rough way.

I recall not so very long ago that the minister of revenue of Quebec, who as far as I know seems to be a very reasonable man apart from his political affiliations, suggested apparently in perfect seriousness that the federal government should consult the provincial governments prior to the enactment of fiscal and monetary policies, which are the direct responsibility of the federal government. I asked the minister a question about this and Mr. Speaker stopped me, probably quite properly. I am not sure what the answer would have been, but this just indicates the extent to which the stripping away of the powers of the federal government has gone.

There is another aspect to this matter. In a democratic parliamentary system governments should be the boss within certain limitations between elections, helped of course by a hard working and intelligent opposition. But at election time the government must face its masters, the people, and at that time any government, whether provincial or federal, should be prepared to account, on the basis of the principle of constitutional responsibility, for the moneys which it has taken from the taxpayers and has spent. What becomes of that theory under this system? The provincial governments are securing an increasingly larger share of their revenue from the federal government. In the result, Mr. Chairman, there is a failure of responsibility. The provincial governments are even boasting of the fact that they have used pressure to squeeze more money out of the federal government. If this is carried on I greatly fear it will lead to a whittling away, an erosion, of the constitution and the proper democratic powers of the legislatures of this country.

I have more to say on this subject, Mr. Chairman, but I am going to leave it until the bill is before us. I do want to make one further suggestion and then I will sit down in plenty of time for the resolution to be passed, unless what the opposition has said has stimulated members on the government side to offer additional suggestions to the minister. I support what the Leader of the Opposition had to say when he proposed that there should be a procedure of dealing with this entire matter. I do not subscribe entirely to the methods he suggested, but this matter must be tackled right at the root of the difficulty. There should and must be an examination of the entire spectrum of the relationships between the federal and provincial governments.

This cannot be done through the medium of the B. and B. commission, which is simply a forum where violent and opposing philosophies and theories meet head on. It provides a good three ring circus at times but you do not come out with any useful suggestions. You do not do so either at federal-provincial conferences of the usual type which, as I said before, are simply a bargaining table where the provincial premiers come as to an auction sale to demand, like Oliver Twist, more and more and more.

I suggest that the answer lies in a meeting of representatives of the federal and provincial governments without this paraphernalia, in an atmosphere which is free from the harsh and rasping discordance that we have seen too much of in and out of this house in connection with debates as to national symbols, which are quite important but which I do not think are appropriate at this time.

Let me conclude on this note. I think there is a general reservoir or fund of good will in all parts of the country, throughout all the various provinces whether it be Quebec, Ontario or the Atlantic provinces, but because of the character of some of the debates which have been initiated by the government that bank account of good will has had cheques drawn against it. Before it is too late, before the fund is exhausted, I suggest to the government that they should act at once to call together a conference of the type envisaged by my leader to deal with the entire problem so that we will not have to follow this piecemeal approach of trying to deal with these problems one at a time, and by the time we get one solved we find there are 10 new ones. Only in this way will we be able to make a substantial contribution to the constitutional problems of this country and be able to do away with the type of resolution which we are being forced to discuss tonight.

Resolution reported and concurred in.

Mr. Gordon thereupon moved for leave to introduce Bill No. C-111, to provide for the revision of certain fiscal arrangements with the provinces and to provide adjustments of fiscal arrangements and taxation provisions consequential upon the provision of youth allowances to parents resident in certain provinces.

Motion agreed to and bill read the first time.

JUDGES ACT

PROVISION FOR SALARIES FOR ADDITIONAL JUDGES

Hon. Guy Favreau (Minister of Justice) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Judges Act to authorize the provision of salaries for seven additional judges as follows:

(a) three judges of the superior court of Quebec;

(b) one justice of appeal of the supreme court of Alberta;

(c) two Ontario county court judges; and

(d) one British Columbia county court judge.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

[*Translation*]

Mr. Favreau: Mr. Chairman, the purpose of this resolution is to amend the Judges Act in order to provide for the salaries of seven additional judges in Canada, as follows: three new judges for the superior court of Quebec; one additional judge for the appellate division of the supreme court of Alberta; two additional Ontario county court judges; and one additional British Columbia county court judge.

Every hon. member knows that, under section 92 of the British North America Act, the province has jurisdiction to set up, organize and maintain the courts. On the other hand, under section 92 of the same act, the governor in council is responsible for appointing the judges of the superior court as well as those of the county courts. Consequently, each province, having set up a superior court or a county court, amends its legislation as need be, for the purposes of the administration of justice, to extend the membership of the court. Since the appointment of judges and

the payment of their salaries come under federal jurisdiction, the federal Judges Act is amended accordingly.

I must say that in the case of Alberta, Ontario and British Columbia, the provincial acts have already been amended in order to provide for an increased number of judges as indicated in the resolution under study. As for the province of Quebec, the act has not yet been amended, but it will be before the end of the present session of the Quebec legislature. The request has been formally submitted by the attorney general of the province of Quebec, following representations made by the bar, the chief justice and the deputy chief justice of the province of Quebec.

The government is following the same policy as its predecessors and I feel it is the only one possible under the constitution.

Since the administration of justice comes under the provincial authorities or governments, one must presume that whenever provincial legislation concerning the courts is amended at the request of a provincial attorney general to enlarge the scope of a court, such action it taken only after consideration has been given to the matter, that it meets a real need in the province, and on the basis of the respective responsibilities of both the attorney general and the government of the province in matters pertaining to the administration of justice within the province.

Considering that eventually judges will have to be appointed, I feel the government must amend the Judges Act; obviously, additional precautions will have to be taken when, on the recommendation of the cabinet, the Governor General proceeds to appoint judges whose salary is now set by the law.

Consequently, I would suggest to the house that when it was passed the usual stages, the act be amended along the lines I have just indicated.

[*Text*]

Mr. Lambert: Mr. Chairman, there are just a few remarks I should like to make, first of all, on item (b) in the resolution. I am sure that, coming from the province of Alberta, I fully appreciate on behalf of the bar and all connected with the practice of law the necessity that has arisen during the past two or three years for a further expansion of the appellate division of the supreme court of that province. The population increase and the additional burdens on the court have made it absolutely essential that this be done. I am glad to see that it is being done. I am sure that the same thing applies to the appointments envisaged in the remainder of the resolution.

However there is one point about which I should like to inquire from the minister. It concerns something that his predecessor had agreed with me should be done and it involved an amendment to the Judges Act. I am referring to a sort of lapsus that occurred last year in amending the Judges Act dealing with changes in the pensions or salary levels of certain judges who had retired just before the passage of the legislation and actually going back, I think, to deal with those who had been compulsorily retired in 1961. Perhaps this would have been the cut-off date. There were some rather, shall we say, agonizing cases—I do not like to use the phrase "distressing cases"—but there were some hard cases. The changes in the judges' salaries had been envisaged for some considerable time. They had been seriously considered by the previous administration but they were so tied with other things they were not brought forward. I am wondering why, at this stage, the minister has not proposed or the government has not proposed we review this matter, because it has been my understanding both with his predecessor and with the government leader in the other place, that this likely would be attended to at the next opening up of the Judges Act.

I must regret this has not happened on this occasion. Of course, there is still an opportunity during this session to deal with the particular item of business and if the Minister of Justice, in his capacity as house leader, wishes to have another one of these fillers on the legislative side, we would certainly entertain an amendment to the act regarding the matter I have suggested.

Mr. Favreau: In reply to my hon. friend I may say that this is one question upon which I have received, and my predecessor as well, a relatively large amount of correspondence. It is a matter, of course, which entails so many ramifications it was quite difficult to deal with it in this bill. Furthermore, I must say that I have my views as to future amendments of the Judges Act. It is my intention to proceed in as organized a fashion as possible by asking the attorneys general of the various provinces to provide me, before a set date in any session, their representations as to the plans of their respective provinces concerning the judges.

To come back to the suggestion that has been made, I can only assure the hon. member

that I have given very serious consideration to the matter. I must be very frank and advise also that because no solution has been arrived at as yet, we could not proceed with the matter in this bill.

Mr. Benidickson: Mr. Chairman, on Friday, July 10, as reported on page 5299 of *Hansard,* the hon. member for Port Arthur raised the question addressed to me, I think—

The Chairman: Order.

Mr. Benidickson: —I wonder whether it would be proper if this were raised tonight?

The Chairman: Well, perhaps it might be suggested to the minister that he raise the question with the Speaker in the chair. Shall the resolution carry?

Resolution reported and concurred in.

Mr. Favreau thereupon moved for leave to introduce Bill No. C-112, to amend the Judges Act.

Motion agreed to and bill read the first time.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the leader of the house if we shall be considering the loans for students legislation tomorrow?

Mr. Favreau: Yes, it is our intention to proceed tomorrow with the second reading and committee stage of the students loans bill and, unless third reading is agreed to immediately, we shall proceed with the second reading and committee stage of the federal-provincial fiscal arrangements bill.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

POWER—FRASER RIVER—FEDERAL PARTICIPATION IN DEVELOPMENT

Mr. H. W. Herridge (Kootenay West): Before proceeding with my question I should like the parliamentary secretary to extend my sincere congratulations to the minister on his success in connection with his prayers for rain. This is one of the most successful government policies to date.

On July 9 I asked the minister the following question:

Has the minister any information he can give the house with respect to the announcement of Premier Bennett of British Columbia that his government intends to proceed with the development of the hydro potential of the Fraser river and expects the federal government's financial assistance to this end?

That question was prompted by newspaper items headed: "Bennett Adds Fraser in River Development" and "Bennett Adds Fraser River to Power Plans". In particular, it was prompted by a news editorial broadcast on July 8, 1964, over radio station CHQM in Vancouver which reads as follows:

At his breakfast meeting this morning with B.C. investment dealers, Premier Bennett had what might be called a captive audience. Not only that—the audience couldn't have been more sold on Mr. Bennett's promotion. The promotion, of course, was B.C. hydro's latest issue of small denomination parity bonds to help finance the Peace river power development.

Mr. Bennett has had tremendous success in marketing these bonds ever since he started doing it in 1959. The public has snapped them up, and the financial community quickly became convinced that it was a good way to turn a dollar.

So when Mr. Bennett said this morning that—

And they are quoting Mr. Bennett.

—"these are B.C.'s greatest years," there was no word of dissent from the investment dealers. They knew a good thing when they saw it.

I quite agree with that.

The most interesting segment of the premier's remarks, however, did not concern parity bonds. It was when he dealt with development of flood control and power producing works on the upper reaches of the Fraser river that he perked up the ears of his listeners.

The proposed development was not new—it had been recommended earlier by the Fraser river development board, a federal-provincial agency.

What was new was the premier's decision to go ahead with it right away. He was careful, in his talk to the investment men, to assure the salmon fishing industry that the value of the Fraser as a spawning river would not be diminished by the development.

But flood control in the 100 mile long Fraser delta and valley was vitally essential. The development in the upper reaches would provide this—as well as two million horsepower of electrical energy—with B.C. and Ottawa sharing equally in the flood control costs.

To the investment men, this was good news, for it meant continued expansion of B.C. hydro, and B.C. hydro would have to go to the money market to finance a good part of it.

His request for support of the investment industry to his application for Ottawa participation in the financing, can be expected to be met without qualification.

It is not certain that the fishing industry will be so enthusiastic. For at a press conference following the breakfast, the premier seemed to downgrade the fishing interests. The first public interest, Mr. Bennett said, was the protection from floods of the Fraser valley and delta, with its tremendous investment in real estate.

Mr. Benidickson: Order.

Mr. Herridge:

To the investment industry, it was "Boomer" Bennett in his best promoting style. But to the salmon industry—and to others interested in the protection of the fishery—it may have been a sign that Mr. Bennett would love to get his hands on the mighty power potential of the Fraser.

That is a very interesting comment on the part of the radio station with respect to Premier Bennett's treatment of these investment dealers. Premier Bennett is fond of investment dealers. I should like to ask the parliamentary secretary if he can inform the house whether there have been any discussions with the government of British Columbia with respect to this development. Have any proposals been made? Have there been any discussions with respect to the possibility of damage to the fishing industry? Have there been any discussions with respect to the locations of dams, as to the cost of those dams and the cost of the total flood control? Has there been any agreement with respect to proceeding in the near future with this development outlined and announced by Premier Bennett? If so, has the government of Canada indicated its intention to share in the cost of this power development and flood control on the Fraser river, and what is the cost going to be?

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, the series of questions posed at the end of the remarks of the hon. member for Kootenay West is rather beyond a three minute reply. I am sure we are grateful to him for having read into the record in the late evening show the noon editorial from Vancouver. I would like to direct his attention to the answer the minister gave on July 9—which was the same day as the hon. member posed his question—to his colleague, the hon. member for Comox-Alberni (Mr. Barnett). This answer is to be found at page 5245 of *Hansard*.

Mr. Herridge: I have read it. It did not tell all the story, though.

Mr. Turner: I would suggest, Mr. Speaker, with the greatest respect, that the answer the hon. member seeks this evening is found in fairly full measure there. First, upon receipt of the final report of the Fraser river board on flood control and hydroelectric power in the Fraser river basin, which was tabled in this house and which I am sure the hon. member, with his customary thoroughness, has already read from cover to cover, the Minister of Northern Affairs and National Resources (Mr. Laing) was in touch with Hon. Ray Williston of British Columbia and, pursuant to those original communications, the two ministers met together to discuss the consequences, in preliminary fashion, of this report. I might say that the first concrete measure undertaken will be the $4½ million strengthening of the Fraser river dike works, particularly along the lower reaches of the river. That proposal has been accepted by the federal government, and the work on the more dangerous spots along the river will be commenced in short order.

As for the response to Premier Bennett's proposal about the power development and flood control on the Fraser, the minister welcomed that announcement but at the moment we are awaiting an application from the province of British Columbia. We are also awaiting the facts and figures to be adduced by the premier as between flood control and power.

INDUSTRY—TIMMINS, ONT.—FEDERAL PARTICIPATION IN MINING DEVELOPMENTS

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, on Friday last I asked a question as follows:

What part, if any, did he—

That is referring to the Minister of Mines and Technical Surveys:

—or his officials play in the negotiations and discussions between the Ontario department of mines and Texas Gulf in connection with the prospective developments around Timmins?

The reason I put the question when I did is because there is a current interest in the developments in Timmins. I thought there was a smart analysis by the financial editor of the Toronto *Star* the other night when he made the point that all the hullabaloo that is being raised in the Timmins area about locating the smelter and refinery there tends to gum up the fact that straight economics will determine the location of the smelter or the refinery, and that it would be just as well probably if the concentrates were shipped, as the company seems to plan, to North Carolina for production. It seems to me that while this argument of Mr. McArthur in the Toronto *Star* may be true, and while it may be true that the mining industry in particular is not one which welcomes government intervention, except in the form of subsidies on occasion, there is a role that the federal department of mines should be playing or could have played in this particular argument, and this argument is going to go on.

I put this argument in this form. The department of mines is the oldest research organization in Canada, and in recent years it has been moving into the field of doing more and more economic analysis. I should like to point out, Mr. Speaker, that last year it published a report entitled "Lead and zinc in Canada, 1961" by D. B. Fraser and J. W. Patterson, a pamphlet consisting of some 90 pages which went into the whole pattern of the market for these two minerals. Then there was published in 1963 a paper by R. B. Elver, T. H. Janes and J. H. Walsh entitled "Technical and economic factors in the choice of steel plant location", which advises where industry should locate its steel plants. This year the mineral information bulletin included one entitled "Canadian minerals in national and international perspective", by R. B. Tooms. This study is designed to describe the growth and present status of the Canadian mineral industry and to measure its importance in the Canadian economy in the world mineral industry. I mention these particular publications to indicate that the department has an interest in the economics and location of various aspects or parts of the mining industry, and yet has done nothing substantial about what has been in recent years the booming part of the mines and metal markets, which is lead, copper and zinc, which I understand are the main metals discovered in the Timmins strike.

The other point I wanted to make about this is that we have had a most heterogeneous kind of discussion and the people of Timmins are getting up in arms because they want the smelter here and the refinery there. There is a pattern of information available and there are things the federal government can do in analysing and providing information which could clear up a great deal of this mystery. I remember a year or two ago in the railway committee when we were asked to approve the building of a railway which would lead to the location of a smelter for zinc at Valleyfield, near Montreal. A lot of people do not realize that there is a different approach required to the smelting of lead, of copper and of zinc. A lot of people do not realize that in eastern Canada at the present time there are no real facilities for refining lead or zinc; although there is for copper, particularly at Noranda. I understand this will be a kind of mixed production in the Timmins area.

In this sort of trouble situation where we are getting pleas to the Department of Industry and the provincial department of mines from a whole area, seeing its economic future beginning to brighten and wanting to get the most out of it, I suggest that the department of mines, federally the oldest research organization in Canada in this field, with all the material available to it, should be right in there building railways, building up studies for the placement of refineries or smelters in certain places, and also considering the whole question of tariff negotiations with the United States, which is the major market for these products.

One of the many reasons why the refining of lead and zinc is done in the United States hinges on a very complicated tariff policy. In copper everything hinges on world arrangement. As I say, in this complicated field surely we should expect our oldest mines organization, our oldest research organization and the minister who heads that organization, to be playing some kind of role in the largest, most exciting mineral discovery we have had in Canada for some years. It is for this reason that I placed this question.

I should like to know what part the federal department has been playing in this regard, and I think we deserve an answer.

If the minister could get his department working in this field in supplying information and suggestions it could do a great deal to clear up what I think is going to be a lot of misunderstanding. If the concentrates in toto that come out of the Timmins development are shipped to the United States or to Europe, in the main, for their further processing rather than being smelted or refined in Canada, the old cry is going to go up that we are selling our resources cheap, that we are not producing enough in this country. It may be legitimate, but my point is that up to now we do not know what role the Department of Mines and Technical Surveys can play in providing information and indicating where the smelters or refineries should go and what should be done, and I think it is a bit of a shame.

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, the hon. member for Port Arthur (Mr. Fisher) has referred to some of the spectacular discoveries minewise that have developed near Timmins in a territory in which he is as interested as I am. His question on the order paper was what part, if any, did the minister and his officials play in the negotiations and discussions between the Ontario department of

mines and this private company, and I want to tell him that so far as I was concerned the answer is none.

The reason is that our department is a department of research. I think that in the early stages we played a very great part through the new opportunities that are available, with helicopters, airplanes and other overhead means of getting the value of the ground underneath, but personally I had nothing to do with this. Afterwards our department plays a very big part in co-operating with industry, following a discovery of this kind.

We have here in Ottawa several of what are almost factories of a fabulous nature that would help them to utilize the ores that they might get out of their ground. The hon. member for Port Arthur has raised this question of co-operation with the provincial government. The staking was entirely through provincial agencies, and the federal minister heard nothing about this. There are some additional properties that have some potential—

Mr. Deputy Speaker: Order. I regret to interrupt the minister but his time has expired.

AIRPORTS—TORONTO—REQUEST FOR EXTENSION OF LIMOUSINE SERVICE

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I want to speak very briefly tonight about the problem of transportation from Toronto international airport. The hon. member for York-Humber (Mr. Cowan) raised this problem on June 11 and spoke of the monopoly situation that exists. He pointed out that this contract, involving some $1,800,000 of gross revenue, was let without tender for a period of 10 years and was entered into by the previous government in 1960. On June 22 in reply to question No. 1,304 the Minister of Transport set out the justification for this monopoly and, as found on page 4541 of *Hansard*, the answer reads in part as follows:

> They are required to provide modern equipment, to carry public liability insurance, and provide uniformed employees. All of this requires a very heavy capital investment on the part of the company, and to maintain such an investment it is necessary that the company be given exclusive rights to the passenger traffic offerings at the airport. To permit unrestricted competition from taxis would make the whole operation economically unsound. Without granting the company exclusive rights, it would be impossible to provide the type of service required by the travelling public.

[Mr. Benidickson.]

I want to ask the minister if those are his words, his conclusions, or if they are the words of some official in his department because I should like to know on just what basis these conclusions were reached. What sort of survey or report resulted in this sort of conclusion and what are the facts behind such a conclusion? Personally I do not accept this answer in view of the size of the business today at Malton airport. It might have been true 10 or 15 years ago but certainly anyone who has spent any time at Toronto international airport, particularly since the new terminal building has been opened, would not accept that answer.

Mr. Fisher: We tried to tell the minister in the T.C.A. committee.

Mr. Moreau: If we are to accept this monopoly until the expiry of the contract in 1970, I want to ask the minister if he will at least treat Scarborough as a separate community outside of the present contract. I say this because the monopoly which was set up to give a service required by the travelling public, to use the words in the answer to the question, does nothing to give service to the 350,000 people who live in the east and north sections of Toronto.

The bus service now available travels down highway 27 and along the Gardiner expressway to the Royal York hotel—

Mr. Fisher: The good old C.P.R.

Mr. Moreau: —without any intervening stops. The hon. member for York-Humber (Mr. Cowan) has told me about a constituent, Mr. Charles Ring, who lives in Mimico, which is on the route that the bus travels. He is required to travel to the Royal York and then struggle back home on the streetcar. This man is 88 years old. I suggest that what we have here is an exclusive franchise to operate a bus line between Toronto international airport and the Royal York hotel which enjoys the benefit of a captive public who are required to use the vehicles provided by Air Terminal Transport Limited.

I am one of those who live in the east end of Toronto and it costs me some $9.75 to travel to my home by means of this service to the travelling public. If I am to take the limousine service from the Royal York I am still a 40 minute drive away from that hotel which involves a $5.50 or $6 cab fare. On the other hand, I am only a 40 minute drive from the airport if it were possible to travel by highway 401.

I suggest to the minister that he ask Air Terminal Transport Limited to provide a bus service to the east end of Toronto. They could make a pick-up at the Cedarbrae shopping plaza at Markham road and Lawrence avenue, make an intervening stop at Don Mills shopping plaza at Lawrence and Don Mills road and then travel by highway 401 out to the airport. The trip could be made in 40 minutes and I am sure the fare would not have to be any more than $2. I suggest to the minister that, as I said, there are about 350,000 people who need this sort of service. There are 60,000 people who live inside the metropolitan Toronto boundary who are still living east of where I am. There are 60,000 people who live north of Lawrence avenue. I suggest that this is certainly a large enough public to require this kind of service.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I think I will have to do what I think I have never failed to do when I have been a minister, and that is take responsibility for the answer I gave the other day and not attempt to identify anyone who may have advised me to give that answer. I think that the first thing of which we have to be sure is that there is going to be some form of transportation at the airport, whenever aircraft arrive, for those people who are not residents of Toronto but are coming to Toronto from some other place. They are entitled, as well as those living in Toronto who do not have their own motorcars, to be sure of some form of transportation at the airport.

I confess that I am an old fashioned Liberal and I do not like monopolies. If there were some way of avoiding a monopoly situation, I would be very happy to do it. I have listened to representations both in the house and out of the house. I even had a delegation come to me including two of my colleagues in the cabinet. This suggests to me that these people who are able to get elected in Toronto, and they happen to be mostly supporters of the government, I am happy to say, probably have a fair idea what the people of Toronto are thinking. I asked the head of the company to come to see me this week. I am going to go over some of these difficulties with him. I am very much impressed, particularly by the statement by the hon. member for York-Scarborough (Mr. Moreau) that there are as many people in the northeastern part of Toronto as there are in the city of Hamilton. It seems to me that they ought to be entitled to service, not superior to that given Hamilton, but equal to it. If there is any way of assuring that the service will be satisfactory to all parts of the area and that it will not be unduly costly, I shall be glad to do everything I can.

I can take no responsibility whatever, and I do a Pontius Pilate act in this matter, for the way in which this contract was renewed in 1960. This was someone else's responsibility, and he can take it. The contract was made and, as has been the custom of governments thus far in this country, it has been honoured even though made by a predecessor and even though we may not entirely agree with it. I hope we will not soon change that custom in this country. It is obvious that since hon. members on both sides of the house who are elected by the people make these suggestions, there must be some ground for some feeling that the service is not satisfactory. I am going to try my best to find out what the difficulty is and to help see it is removed.

Mr. Deputy Speaker: Order; the minister's time has expired.

Motion agreed to and the house adjourned at 11 p.m.

HOUSE OF COMMONS

Tuesday, July 14, 1964

The house met at 2 p.m.

PRIVILEGE

MR. MACEWAN—CONTRACT FOR PIER REPAIRS, PICTOU, N.S.

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question of privilege which I should like to put briefly before the house, which affects all members of the house and the rights of parliament. It is with regard to a press release, small as it may be, in the Halifax *Chronicle-Herald* for Friday, July 10, 1964, page 19, which reads as follows:

> Award of a $18,616 public works department contract to Colin R. MacDonald Limited of Antigonish for repairs to pier A at Pictou was announced from the office of labour minister Allan J. MacEachen here yesterday.

On July 3 I placed a question on the order paper, being question No. 1,423, which asked the number of tenderers and the amounts of the various tenders for harbour improvements and repairs to pier A at Pictou, and I also asked to whom the contract would be awarded. On checking *Hansard* it will be seen that this question was not answered. What has been done by the minister is to circumvent the rights of parliament. The order paper today is even more sacred following the changes in the rules, and although the minister may have been in Switzerland or perhaps visiting the Queen to right the wrongs of the Minister of Transport in the United Kingdom, this is not the first time this has come before parliament and the rights of parliament must be upheld. I think the government must take due notice of this.

EXTERNAL AFFAIRS

RUSSIAN PROPOSAL RESPECTING PEACE KEEPING FORCE

Hon. Paul Martin (Acting Prime Minister): I wish to table, as I told the hon. member for Greenwood I would, the memorandum of the government of the Soviet union regarding certain proposals to strengthen the effectiveness of the United Nations in safeguarding international peace and security. I am tabling copies in French and in English.

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In connection with matters arising out of the tabling of the document referred to a few moments ago by the Acting Prime Minister, I would ask him whether the apparent change of attitude on the part of the Soviet union in connection with peace keeping operations has been followed up by any action by the U.S.S.R. to place itself in a position of responsibility in the United Nations by arranging to pay its membership dues and its share of expenses in connection with peace keeping. Would the minister say whether there has been any consultation with the Soviet union in this regard, and does this recent action on the part of that country indicate that an arrangement has been made whereby the voting rights of the U.S.S.R. which would end in September through failure to pay arrears are not now likely to be affected?

Hon. Paul Martin (Acting Prime Minister): There has been no change, since the distribution of this proposal by the Soviet union for a permanent United Nations peace force, in the amount of money which the international court of justice, by way an advisory opinion, has said is owing by the Soviet union to the United Nations. There have been some discussions with the Soviet union with regard to the confrontation that will inevitably face that country at the next general assembly under article 19 of the charter, if some moneys have not been paid by the Soviet union to reduce its total indebtedness to a figure less than the assessment owing by the Soviet union to the United Nations for the previous two years. The secretary general himself is leaving tonight on a tour that will take him to a number of countries, including the Soviet union. I do not know what will be the nature of their discussions, but I would be surprised if this were not one of the subjects to be discussed at that time.

Mr. Diefenbaker: I thank the minister for his very full answer, and ask him this question. Have any representations been made by Canada directly to the U.S.S.R. pressing upon that country and other countries that are in default the necessity of respecting their undertakings and responsibilities under the charter, and in particular the payment of their share which, as the minister has

stated, was declared to be a proper levy in an advisory judgment of the world court?

Mr. Martin (Essex East): Yes, Mr. Speaker, there have been at least two occasions when I, on behalf of the government of Canada, have discussed this matter with spokesmen of that government.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. In view of the fact that the proposal of the Soviet union regarding peace keeping operations has now been received by the government of Canada, could I ask the Secretary of State for External Affairs what reply the Canadian government intends to give, whether it is favourably disposed to the proposal and whether in the minister's opinion this proposal would place peace keeping forces entirely under the jurisdiction of the security council and reduce the powers enjoyed by the assembly.

Mr. Martin (Essex East): Mr. Speaker, the proposal of the Soviet union is not addressed to any country. It was generally distributed this morning to all delegations at the United Nations. I have already indicated in the external affairs committee last week some of my reactions to the proposal. I would simply say now that if it represents, as the right hon. gentleman suggested we should hope it might, a positive attempt on the part of the Soviet union to share in all the obligations having to do with United Nations peace keeping responsibilities, then it is certainly to be welcomed. It is in a spirit of constructive interpretation that Canada is examining this proposal.

TRADE

WHEAT—ANNOUNCEMENT OF FURTHER SALE TO POLAND

Hon. Mitchell Sharp (Minister of Trade and Commerce): The Canadian wheat board is announcing in Winnipeg today that it has negotiated a contract for the sale of approximately 200,000 metric tons of wheat for shipment to Poland. This sale, totalling about 7.4 million bushels, is for shipment during the period August to November, 1964. This is the second sale made to Poland under the provisions of the long term agreement signed on November 5, 1963 and completes the quantities Poland had agreed to buy during the first year of the three year agreement.

Payment for the wheat is to be made on the basis of 10 per cent at time of shipment with the remaining balance to be paid in equal instalments plus interest at two, two and a half and three years respectively. These credit arrangements were authorized by the government of Canada under the provisions of the Export Credits Insurance Act.

PENSIONS

CANADA PLAN—INQUIRY AS TO TABLING OF WHITE PAPER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Acting Prime Minister. Can he say whether the government is yet ready to table the white paper on the latest version of the Canada pension plan, which was promised some weeks ago?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, the Prime Minister did mention this white paper. We are not disposed to distribute it at the moment, but I should not think there would be too long a delay.

Mr. Knowles: A supplementary question, Mr. Speaker. Has the government learned whether the parliament of Westminster has yet passed the amendment to our constitution that we prayed it to pass?

Mr. Martin (Essex East): No. We did receive an intimation yesterday that the matter will be dealt with not later than the 18th of July, I think, and it is already on the order paper now in the United Kingdom parliament.

Mr. Knowles: A supplementary question, Mr. Speaker. When that amendment has been passed will the government be placing on our order paper the resolution preceding the new bill?

Mr. Martin (Essex East): Mr. Speaker, I would not want to prognosticate as to procedures, but my hon. friend knows there will be no delay that could in any way be regarded as irresponsible.

Mr. Knowles: What have we had thus far?

Right Hon. J. G. Diefenbaker (Leader of the Opposition): That definition is subject to ample expansion when irresponsible delay is spoken of by the minister. I should like to ask him this. Is it the intention of the government, as soon as possible after this amendment has been passed by the United Kingdom house, to have the pension bill brought forward as a matter of priority rather than placing it in a position secondary to some

other matters that I think the general public feel deserve to be in a secondary position?

Mr. Martin (Essex East): The government attaches the highest priority to this matter. As I indicated yesterday to the hon. member for Winnipeg North Centre, the government did not accept a suggestion from one of the provincial premiers that this should have a lower rating than other important measures, and that being the case, my right hon. friend will be assured that consistent with what faces us in this parliament, there will be no protracted or unnecessary or irresponsible delay.

Mr. Eric A. Winkler (Grey-Bruce): Since the constitutional amendment will be made so that parliament could go on to deal with this matter at an early time, will the Acting Prime Minister inform the house if we might expect it before any projected recess?

Mr. Martin (Essex East): Will my hon. friend be good enough to understand that I have limitations—

Some hon. Members: Oh, none.

Mr. Martin (Essex East): —and I would prefer to answer each situation as it arises.

NATIONAL DEFENCE

QUEBEC—PAYMENT OF MOVING COSTS OF RADAR STATION PERSONNEL

On the orders of the day:

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence.

I should like to ask him whether any action is taken in order to reimburse for their moving expenses the families which will be displaced on account of the closing of the radar station at Parent.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I do not know exactly to what families my hon. friend is referring. However, if he would be kind enough to tell me what families he has in mind, whether those of civilian employees or those of temporary employees, I shall be glad to give him an answer.

[*Text*]

Mr. Speaker: Order, please—this is a question for the order paper.

Inquiries of the Ministry

BEAVERBANK, N.S.—REQUEST FOR UTILIZATION OF FACILITIES

On the orders of the day:

Mr. C. F. Kennedy (Colchester-Hants): I should like to direct a question to the Minister of National Defence. Has the minister received a petition from the citizens committee of Beaverbank, Nova Scotia? If so, what action is being taken to utilize the defence facilities located there and preserve the economy of the area?

Mr. Speaker: This is a question which should be put on the order paper.

Mr. Kennedy: This is an urgent matter upon which we have been trying to get some answers for some time. May I ask the minister to make an early statement on it?

REQUIREMENT RESPECTING BILINGUALISM IN CONSIDERING PROMOTIONS

On the orders of the day:

Mr. Erik Nielsen (Yukon): I should like to direct a question to the Associate Minister of National Defence, in the absence of the minister, based on press and radio reports with respect to the armed forces. Can he say whether it is government policy that the armed forces promotional policy has been altered, requiring a knowledge of both languages before promotion proceeds in any of the three services?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, it has been obvious in recent years that there has been a greater requirement for bilingual officers, and it is a fact that there is an order which states that officers who are bilingual will be required in promotions. Now when we speak of bilingualism, it is a two way street; we speak of French speaking officers being required to know English, and English speaking officers being required to know French. This is in keeping with trying to promote bilingualism within the country.

Mr. Nielsen: A supplementary question. Can the minister say whether a directive to this effect has left either his office or the office of the minister of defence to all three armed services, and whether that directive includes a provision that before any officers will be promoted in future the French speaking officers will be required to have a knowledge of English and the English speaking officers will be required to have a knowledge of French?

Mr. Cardin: That order did leave the department. As far as the rest of the question is concerned, it is quite complicated and I would prefer to read it in *Hansard* tomorrow.

Hon. Léon Balcer (Three Rivers): A supplementary question to the Secretary of State. I wonder whether the minister could tell the house if it is the intention to have the same policy which has just been explained by the Associate Minister of National Defence applied all through the civil service.

[*Translation*]

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, the interdepartmental committee responsible for this problem has asked the civil service commission to submit a report but, as yet, we have received no recommendations from the commission.

[*Text*]

Mr. Nielsen: A further supplementary question. I assume that the minister will read my question in *Hansard* and answer it tomorrow. When he does, will he make a statement as to whether a recommendation in this regard was made either to himself or to the minister of defence or to the government by the B and B commission suggesting that such a policy be adopted?

Mr. Cardin: Mr. Speaker, the B and B commission has not yet made its report.

INDUSTRY

OWEN SOUND, ONT.—REQUEST FOR ASSISTANCE

On the orders of the day:

Mr. P. V. Noble (Grey North): I should like to direct this question to the Minister of Industry. Will the minister look into the possibility of having his department extend some assistance to the city of Owen Sound which now has several empty factory buildings and more unemployment than existed last year?

Mr. Speaker: Would the hon. member put this question on the order paper.

REQUEST FOR PROGRESS REPORT ON WORK OF DEPARTMENT

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I have another question for the Minister of Industry. Will the minister inform this house of the achievements of his department by way of a progress report?

[Mr. Nielsen.]

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I do not think the orders of the day is the right time to make a progress report of the kind asked for.

TRANSPORT

INQUIRY AS TO PURCHASE OF JET STAR PLANE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I should like to address my question to the Minister of Transport. In view of the deficit which the government has for various reasons, why has the Minister of Transport bought a Jet Star plane at a cost of $1,200,000 to permit the minister to travel?

Hon. J. W. Pickersgill (Minister of Transport): The Jet Star was purchased by the previous government headed by the right hon. gentleman opposite.

Some hon. Members: Oh, oh.

Mr. Pigeon: That is the second one the minister bought.

[*Translation*]

Mr. Jean Chrétien (St. Maurice-Laflèche): Mr. Speaker, may I direct a supplementary question to the Minister of Transport?

Can the Minister of Transport tell the house why the previous government bought that plane?

Mr. Pigeon: I am speaking about the second plane.

[*Text*]

Mr. Pickersgill: I haven't the foggiest idea, Mr. Speaker, but I know the present government declined to buy another one.

ADDITIONAL FERRY SERVICE BETWEEN NOVA SCOTIA AND NEW ENGLAND

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the urgent need by the tourist industry for a second ferry service between Nova Scotia and New England, as indicated by the increase in passengers of 1,282 and in passenger automobiles of 367 over the same month last year, will the minister inform the house whether any definite progress has been made toward establishing this much needed ferry between these two areas?

Mr. Speaker: This is also a question for the order paper.

ST. LAWRENCE SEAWAY—POSSIBLE REMOVAL OF TOLLS

On the orders of the day:

[*Translation*]

Mr. Gérard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Minister of Transport. Could he tell the house whether he is considering the possibility of abolishing tolls on the St. Lawrence seaway, between Montreal and lake Ontario?

[*Text*]

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I think it would be very difficult and rather a waste of time to give consideration to this question, because this parliament made a law requiring tolls to be imposed.

FINANCE

REPORTED INCREASE IN NUMBER OF BANKRUPTCIES

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I would like to address a question to the Minister of Finance. Is the minister aware that bankruptcies in Canada have reached an all time high—as a matter of fact the highest peak in the last 30 years—and, if so, what does he propose to do to stop this alarming trend?

Mr. Speaker: Well, under the orders given to me by the house, though this is a very interesting question it requires a detailed and long answer, and I think it should be on the order paper.

THE CANADIAN ECONOMY

STEPS TO MEET REPORTED INCREASE IN COST OF LIVING

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I address my question to the Minister of Finance. What measures does the minister intend to take in order to stop the rise in the cost of living, since Montreal has already recorded the highest rise?

Mr. Speaker: Order, please. It seems to me this question has been asked at least once during the last three or four weeks.

Mr. Pigeon: I will ask it again at 10.30, Mr. Speaker.

Inquiries of the Ministry

CANADIAN COASTGUARD

ESTABLISHMENT OF NAVIGATIONAL TRAINING SCHOOL

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I wish to direct a question to the Minister of Transport and ask him whether any representations have been made to him regarding the setting up of a navigational training school at the Point Edward naval base, Cape Breton island.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I think the first person who suggested this was myself, when I made a formal announcement in the house. The plans are proceeding.

Mr. Douglas: Mr. Speaker, may I ask the Minister of Transport a question supplementary to the one I asked a few moments ago. Can he tell me when the navigational school planned for the Point Edward naval base will be operational?

Mr. Pickersgill: I would not like to say how soon it would become operational. It is going to be a pretty big undertaking to assemble a staff and get the classrooms and buildings ready. However, it is our hope that we will be able to give the first year of training of most of the candidates in already existing marine schools in various parts of the country, so that when the college is opened we will not be duplicating any services that are now available in other parts of the country.

Hon. Léon Balcer (Three Rivers): A supplementary question, Mr. Speaker. I wonder whether the minister could tell the house if this means that the Rimouski navigation school will be closed after the opening of this new school at the Point Edward naval base.

Mr. Pickersgill: Quite the contrary, Mr. Speaker. It is our hope that a good many of the candidates who will go on to this school, which is to be a training school for officers, will have their first year of training in the school at Rimouski. I have had correspondence with the present minister of education of Quebec, who I think at that time was minister of youth, on this very subject.

LABOUR RELATIONS

DISMISSAL OF CANADIAN SAILORS BY IMPERIAL OIL CO.

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, yesterday I promised the hon.

member for Burnaby-Coquitlam that I would reply to a question he asked some time ago in connection with the action taken by the Imperial Oil Company in dismissing a crew of Canadians and replacing them with West Indians.

This matter has been gone into by the Department of Labour, and we find that the action of the company has given rise to no dispute which calls for mediation by our department. We are concerned, of course, with the employment of Canadian seamen and Canadians in general, but the action taken by the company does not seem to be in violation of any law administered by the Department of Labour. For that reason there is no appropriate action that we see that can be taken at the present time.

In reply to the additional question asked by the hon. member as to whether we have any information on recent cases of a similar nature, the answer is no; although I am sure my hon. friend is aware of the incident of some months ago involving the vessel called the *Canuk Trader,* the crew of which was replaced by a Chinese crew in Hong Kong.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. May I ask the Minister of Labour whether he intends to bring down any legislation to deal with situations like this, or whether the government intends to adopt any policy, particularly with reference to granting government contracts to ships which are not of Canadian registry and which are dismissing Canadian crews in order to obtain other crews for smaller wages?

Mr. MacEachen: No particular policy is under consideration at the present time. I think the development of such a policy would involve several departments, especially the Department of Transport.

BUSINESS OF THE HOUSE

DELAY IN ADOPTING REPORT OF PRIVILEGES AND ELECTIONS COMMITTEE

On the orders of the day:

[*Translation*]

Mr. Robert Beaulé (Quebec East): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Could he tell us why the submission of the second report of the committee on privileges and elections has been delayed and when he intends to submit it?

[Mr. MacEachen.]

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I am not in a position to answer this question now but I will look into the matter.

[*Text*]

INQUIRY AS TO CONSIDERATION OF MAIN ESTIMATES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I would like to ask the Acting Prime Minister a question. In view of his steadily increasing authority in the absence of the Prime Minister, would he use his influence now to have the main estimates brought before the house for examination. We would like to have a look at the spending program of the government, and we have had only seven days on main estimates, which is half the number of days normally allowed at this point in a session.

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, my hon. friend was good enough and generous enough to pay me a left handed compliment, but he will not misunderstand if I say that the authority of whoever is presiding over this house as acting prime minister is of course second to that of the Prime Minister who is now engaged in very important business outside the country.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I want to make it clear, Mr. Speaker, that his authority has been properly asserted and, I am sure, widely respected. With regard to the suggestion that my hon. friend has made, I understand that the next two Fridays have been set aside for the discussion of estimates and this is pursuant to a co-operative arrangement made, I believe, among the house leaders. If there is anything the leader of the house wishes to add, he will no doubt do so.

Mr. Churchill: Mr. Speaker, I thank the Acting Prime Minister for his very lucid explanation—

Some hon. Members: Oh, oh.

Mr. Churchill: —after wandering so far afield. However, the custom in other years in July and August has been to spend up to 16 days in a month on main estimates, rather than just two days as allotted for this month.

CANADIAN BROADCASTING CORPORATION

APPOINTMENT OF CONCILIATION OFFICER IN LABOUR DISPUTE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I would like to ask either the Secretary of State or the Minister of Labour. Can either minister confirm the report that negotiations between the C.B.C. and its employees have broken down to the extent that the employees' union has now asked that a mediator take over?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, if my hon. friend is referring to a dispute between the C.B.C. and its employees in the radio and television news departments represented by the Canadian wire service guild, then the answer is yes. On July 10, at the request of the union, a conciliation officer was appointed to mediate this dispute, and it is hoped meetings will be resumed early next month.

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Minister of Industry and ask him whether consultations are now going on between him or his department and the C.B.C. in order to secure the consent of the C.B.C. to taking property in Vancouver other than parkland on the Kitsilano reserve.

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, consultations are going on with those who have made proposals to the Crown Assets Disposal Corporation regarding the disposition of the Kitsilano property.

Mr. Diefenbaker: Have alternative offers been made to the C.B.C. of property in downtown Vancouver, rather than the area that has been asked for in the Kitsilano reserve?

Mr. Drury: As the right hon. gentleman knows, perhaps, Crown Assets Disposal Corporation have no alternative property to offer.

Mr. Diefenbaker: Does that answer mean, therefore, that the attitude of the minister is that the government intends to carry out what Mr. Ouimet said it would, namely turn over this Kitsilano acreage to the C.B.C.? Is that what that answer means?

Mr. Drury: A decision on this particular point has not yet been taken. As soon as it is, it will be announced.

Mr. Diefenbaker: Mr. Speaker, who is going to take that decision, if it is not the Minister of Industry? I would like to know who this uncertain entity is that is going to make the decision. Is it the minister or is it the cabinet?

Mr. Drury: It is the government of Canada, Mr. Speaker.

Mr. Diefenbaker: Mr. Speaker, I should like to direct a question to the Postmaster General, representing as he does a Vancouver constituency. Has he received a communication from the Young Liberal association of B.C. to the effect that they join with the parks board of the city of Vancouver in opposing the turnover of the 17 acres in the Kitsilano reserve to the C.B.C.? If so, what would be his answer thereto?

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, I have no recollection of any such request having been made to me by the Young Liberals of British Columbia.

Mr. Diefenbaker: If he did receive such a communication and has read—

Some hon. Members: Order.

Mr. Diefenbaker: —the editorial in the Young Liberals "Voice" demanding this, what is his attitude to it?

TRANS-CANADA AIR LINES

REPORTED FLIGHT DELAY THROUGH LACK OF ENGLISH SPEAKING STEWARDESS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I have a supplementary question which is related to a question asked the Minister of Transport. Would the minister inquire into the circumstances which led a T.C.A. captain to refuse to take off when piloting a T.C.A. plane because there was no stewardess on the plane who could speak English? In view of the fact that most of the passengers were English speaking, for safety reasons he refused to take off?

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I have not heard this fantastic story, but I will look into it.

Loans to Students

EDUCATION

MEASURE TO FACILITATE MAKING OF LOANS TO STUDENTS

Hon. Walter L. Gordon (Minister of Finance) moved the second reading of Bill No. C-110, to facilitate the making of loans to students.

He said: Mr. Speaker, it is with considerable satisfaction that the government has placed before the house this legislation to launch the Canada student loans plan. From references already made to this subject in various quarters I know that, whatever may be said of the details, the purposes and principles of this bill command widespread support.

This is surely as it should be. It is a cliché to say that a country's future depends upon its young people. But clichés are often true, and the importance of the truth embodied in this one can scarcely be overstated. The need for financial assistance, such as the loan plan that we are now considering, can be established in economic terms, in statistical terms and, most important, in terms of human lives and human hopes.

In economic terms, Canada's future strength and prosperity depend not only on the quality of our natural resources, about which we so often remind ourselves, but even more on the quality of our human resources. This is particularly true if we are determined, as indeed we are, to be more than hewers of wood and drawers of water. We must make sure, in the complex and competitive world of today, that an ever growing proportion of our young men and women have ready access to the benefits of higher education. In this age where undereducation so often spells underemployment, we must put forward very special efforts to ensure that no competent student lacks the financial support to continue his education beyond high school.

In statistical terms the need for new and very substantial financial facilities is easy to demonstrate. As is well known, we are in the early stages of an unprecedented "bulge" in our population at the university entrance age. This results from an unprecedented rise in the Canadian birth rate in the late war and post-war years. Statistical estimates published by the Canadian universities foundation suggest that rates of increase in university attendance during the rest of this decade could exceed 10 per cent per year. As hon. members know, the government has recognized the need for the provinces to have a

greater share of revenues and higher equalization grants to meet such educational requirements.

This growth in the number of students in itself would greatly overstrain existing arrangements for student financing. In addition, however, one must take into account that because these war babies and post-war babies were spaced unusually close together, families will now be faced with the cost of keeping not one but possibly two or three of their children in college at the same time. This will accentuate the need for financial support.

Moreover, because the population of post-high school age is and will continue to be unusually large, students will experience unusual difficulty in finding summer jobs. Actually the number of summer jobs will no doubt be increasing, but the increase of students may be expected to exceed them. This again constitutes a special need for setting up enlarged arrangements for student financing at this time.

Finally, and most importantly, the need, the great and growing need, exists not merely as an economic problem or as a statistical projection, but as a pressing problem for the young men and women of this country. It exists for them and it exists for their families, the older families that they grew up with and the younger families they are even now founding and forming. A university education or its vocational equivalent is the highest achievement of our educational system, and it should be within the financial grasp of every young Canadian who is capable of making good use of it.

There was a time when some people actually believe that the children of the well to do, those who could afford to buy a university education, were the only ones who should be entitled to profit from it, and that people in poorer circumstances should not aspire to it.

This belief has long since been proven false. If we do not provide the means whereby all children with the necessary abilities can share the privilege of higher education, we are doing them a grave injustice and we are denying to our country a source of economic and intellectual benefit which we can ill afford to sacrifice.

Higher education is an investment, an investment for the individual and an investment for the society in which he lives. Both will be the richer as a result. The student's earning power may be expected to increase

substantially on the basis of such an investment. This is why it makes sense for him, and for his government, that he should borrow in order to make this investment. It also makes sense for the individual and his government to share the cost of this investment, and this is exactly what the Canada student loans plan sets out to do. In the early stages, while the student is not yet earning, the government bears the whole cost. Later, when the student has graduated and has had some time to settle down and start earning, he himself takes over the debt. But still the government stands behind him, guaranteeing his loan, moderating its cost to him and taking over in case of his death.

What, in practical terms, can the Canada student loan plan offer to a young student? It can offer him annual loans up to $1,000 a year and total loans up to $5,000. The actual amount and terms of the loans to any individual will, of course, be related to his individual requirements and prospective earning capacity. For example, a student living in a university residence or in a boarding house may well need more than a student living at home. Again, a student in a course such as medicine, which is very expensive, may require more than a student in nursing. Obviously the prospective doctor can afford to take on a larger debt than the prospective nurse.

To be eligible for a loan a student must have attained a satisfactory scholastic standard—a judgment that is naturally to be made, under our plan, by the educational authorities. He must also, as is required in other student loan plans and as is essential to prevent possible abuse and to protect the taxpayer, make it clear to the authorities that he actually needs the loan. Given eligibility on these grounds, a student will qualify for a loan if he is a Canadian citizen or if he has resided in Canada for at least a year and intends to continue to reside here.

The loans are to be made to full time students. One of the main purposes of this plan is to make it possible for students whose university education would otherwise drag on over many years of part time work or night courses to complete their college education more quickly and to reap its intellectual and financial benefits at an earlier age.

Students who are residents of other countries will not be eligible for loans under the Canada student loans plan. Students from the richer countries abroad who choose to study here will have their own sources of finance; with our universities already crowded we do not consider we should offer them special inducements to come here. Students from the less developed countries may, of course, obtain educational assistance under several Canadian programs.

Apart from this, both undergraduate and graduate students may qualify under our plan. Moreover, as I have already implied, it will not be limited to students proceeding to an academic degree. It can cover any form of post-secondary school education. In order to designate the institutions which qualify in this category, bearing in mind the differences across Canada in this regard, we have invited the help of the provincial governments. They, or authorities designated by them, are to specify the institutions which student borrowers may attend, whether at home or abroad. It is clear from our discussions with provincial representatives that the coverage will be as comprehensive as reasonable administrative and educational standards can permit.

In this connection it is relevant to record that all the provinces, with but one exception, already operate some sort of general student loan plan. In virtually every case the amounts which can be made available for the loan plan, and in some cases to individual students, are substantially less than are to be made available under the Canada student loans plan. Nevertheless we are anxious both to learn from their experience and, if they are agreeable, to make use of their administrative machinery including the machinery set up for establishing student eligibility.

We recognize that the provinces are better able than the federal government to determine which students require assistance for the pursuit of their education in provincial educational institutions. Consequently we are hopeful that provincial governments will be prepared to act as partners in the Canada student loans plan through making available their machinery for establishing the eligibility of students for loans. Not only would this simplify the administration of the Canada student loans plan—it would be very difficult for the federal government itself to duplicate provincial machinery—but it would also serve as a useful point of liaison between the actual educational institutions, which clearly fall in the provincial jurisdiction, and a plan for guaranteed bank loans to students provided by the federal government.

Accordingly it is our expectation that students seeking loans under the Canada plan will, in each province, file applications through familiar and established channels. I expect that in almost every case a student will file his

application in the province where he lives, but in certain cases where he pursues his studies in another province it may transpire that his application should be filed there.

I should emphasize that it is not our purpose to supersede any existing plan or arrangement. Some may well be modified, a few may possibly be discontinued; but in the field of student assistance there is room for many and diverse arrangements. A big national plan can carry the main financial problem, but other bodies can allow themselves greater flexibility, greater adaptability to local conditions and personal needs of students.

In this respect I would like to pay tribute particularly to the existing provincial plans and university plans, and to private plans such as those of the chartered banks themselves and such imaginative and worth-while arrangements as the Canadian scholarship trust plan which was initiated a few years ago.

Once a student has received from the appropriate provincially designated educational body or its agent—perhaps a student loan board; perhaps a university or governmental body in the province where he resides—a certificate for a loan of a specified amount, he or she will go to a bank to arrange the loan. The student can go to any branch of any chartered bank, either near his home or near his university. While the banker is not under compulsion to make the loan—after all, he is lending the money that other people have deposited with him—it would only be in exceptional cases that he would find a reason to question the amount stated on the certificate. He will, of course, satisfy himself that the person who presents a Canada student loan plan certificate is indeed the student to whom it has been issued, but as long as there is no corner cutting or double dealing—and I am sure there will be none of this—the student may normally expect to get his loan.

The loan he obtains, however, will differ in very important respects from the loans the same banker is making to other people. The student, under the Canada plan, will be specially favoured in three ways. First, he will not have to pay any interest on his loan or repay any part of the capital until six months after he has completed his studies. In the meanwhile the government will pay the interest to the bank. Second, when the time comes for the student to begin to pay interest and repay his loan it will cost him less than an ordinary borrower who, on a personal loan, will normally pay his banker the maximum legal rate of 6 per cent and a service charge as well. Under the Canada plan the government which guarantees the loan will also establish from time to time the maximum interest rate that may be charged, and no additional service charges will be permissible.

Mr. Knowles: What is that rate going to be?

Mr. Gordon: Initially, this rate is expected to be 5¾ per cent. When you take service charges into account this is considerably less than the rate at which anybody can obtain a loan under other circumstances.

Mr. Douglas: Is that the rate to the Minister of Finance during the period he is responsible for paying the interest or the rate to the borrower when he becomes liable to pay the interest? Is it the same rate in both cases?

Mr. Gordon: That will be the rate the borrower will have to pay.

Mr. Douglas: What does the minister expect to pay?

Mr. Gordon: Something less than that, because there will be no charges or costs involved. The third advantage to the prospective borrower is that the government guarantee comes into operation automatically if the student dies. Therefore he need not fear that his young wife or his family will have to repay the loan for him; once again, Canada will bear this risk.

Mr. Rynard: Is the loan insured?

Mr. Gordon: The loan is guaranteed and it is insured in case of death.

The advantages of making use of the facilities of the chartered banks in connection with a student loan plan are in part clear from what I have said already. There are branch banks all across the country near people's homes and near educational institutions. If a student is not satisfied by one bank or one branch he can approach another. In addition, the branch banking system which facilitates the making of loans also facilitates the consolidation of a series of loans into a single total. Further, it facilitates loan repayments and collections.

The Canadian government is already operating four other systems of guaranteed loans with the chartered banks, for farmers, fishermen and small businesses, and for home

improvements. Experience shows that the system is efficient and economical. The costs to the government in terms of administration and in meeting losses are very small—

Mr. Knowles: Will the minister permit a question? Perhaps I may be anticipating the next paragraph in his speech, but can he tell us how many arrangements there are under which the government lends money more directly, such as the Farm Credit Corporation, the industrial development bank and so on?

Mr. Gordon: I cannot give the number off the top of my head, but I do not think there is much doubt that this system of lending through the banks will be of much more assistance to students. After all, the Farm Credit Corporation, for example, has only a limited number of branches. It would be impracticable for the government to set up lending offices all across the country, and it would be very expensive.

Mr. Douglas: You do not need to do that.

Mr. Gordon: The hon. member says there is no need to do that, but somehow or other you have to get the money to the student, which is the main objective of this legislation. What we want to do is to make sure, as I have already said, that no student or prospective student is prevented from going to a vocational training school or to a university because of financial difficulties—

Mr. Martineau: May I ask the minister one question?

Mr. Gordon: May I finish this sentence—and I am satisfied that this scheme will accomplish that objective.

Mr. Martineau: I should like to know if the provisions will apply to students under 21 years of age?

Mr. Gordon: I wonder whether I might answer that question later. I am going to deal with that in my remarks. I know there are a number of lawyers in the house who will be greatly interested in this matter. I have said that the advantages of making use of the facilities of the chartered banks in connection with a student loan plan are in part clear from my previous remarks. I pointed out that there are branch banks all across the country, and that if a student has difficulty with any particular branch he can go to another. I have said that we are already operating these other plans and that the costs to the government in terms of administration and of meeting losses are very small, far less than 1 per cent of the total loans outstanding. Under the student loan plan there will be an additional cost to the government during the interest free period enjoyed by each student borrower, but even making allowance for this the costs will be substantially less than would be involved in any other arrangement. The Canadian government has a natural advantage in sponsoring this sort of system on a large scale, country-wide basis.

I turn now from the plan as it will look to the student to the plan as it will look to parliament in its traditional role of custodian of the national purse and defender of the national taxpayer. At the outset let me reassert what is probably clear from what I have already said. The government has not approached this plan in any penny pinching spirit. We have been anxious to avoid waste and duplication in administration, but we are not proposing to parliament financial limits that are expected or intended to be restrictive. On the contrary, they are expected to accommodate all reasonable needs; and if, perchance, actual needs should outrun our expectations we shall bring the matter back to parliament for amendment. We can envisage that under the system we have in mind the outstanding loans at the end of five years could well be of the order of $200 million. At the end of 10 years we would expect them to be of the order of half a billion dollars.

For the first year of the plan, beginning this fall, we propose that parliament should provide for guaranteed bank loans up to $40 million. This, we calculate, would provide for a loan exceeding $500 for one out of every three students enrolled, a proportion that is unlikely to be reached in the first year of the plan or, indeed, for several years. This is the judgment of all the people whom we have consulted in this matter who have been administering loan plans for some years.

We also provide in the draft legislation for year by year escalation in the total to be guaranteed. Beginning from $40 million, this escalation is calculated on the basis of the growth of the age group in our population that may be expected to take advantage of university education and vocational training facilities. For calculation purposes, this group is 18 to 24 inclusive. Lest there be any misunderstanding, let me stress that this age group is used solely for purposes of statistical estimates. The benefits of the plan are available to students of any age, below 18 or above 24 or within those limits.

I might mention also the fact that the bill before the house establishes that bank loans

under this legislation are to be recoverable even though they may be made to minors. While under normal circumstances a student who is not of full age may be expected to have his loan endorsed by a parent or someone else whose guarantee would be acceptable to a bank, we feel that this is not necessary, nor even desirable, if Canada provides a guarantee along the lines provided in this bill. We would expect that normally the parent would be aware of the application, but we would not wish to stipulate that the loan would require approval of the parent. To our way of thinking, it is better for all concerned that the student should take full responsibility and should feel fully responsible from the start.

Not only does the annual total grow from year to year on the basis of the 18 to 24 age group, it is also divided, year by year, among the provinces on the basis of the distribution across the country of the same age group. Thus the $40 million available in the first year would be divided approximately in the following amounts, using 1963 population data. Of the total of $40 million, $1.14 million would be allocated for Newfoundland; Prince Edward Island, $0.23 million; Nova Scotia, $1.73 million; New Brunswick, $1.37 million; Quebec, $12.96 million; Ontario, $12.49 million; Manitoba, $1.98 million; Saskatchewan, $1.89 million; Alberta, $2.89 million; British Columbia, $3.24 million; Yukon and Northwest Territories together, $0.08 million.

We considered the possibility of a system which was based not on provincial allocations but on some sort of uniform educational standard which would be equally applicable in any part or portion of the country. However, it soon became clear that such a uniform standard was impossible to devise and, even if it could be devised, would be impossible to apply. We are satisfied that the provincial allocation arrangement is more fair and more defensible than any alternative. Moreover, while different criteria could be considered both for the escalation and for the division between provinces, the use of the age group 18 to 24 appears to be at once the simplest and the most generally acceptable. I might add that if over the years serious anomalies show up the matter would be brought back to parliament for revision.

I have already explained that this plan, while very substantial in its proportions and in its provisions for future growth, is nevertheless quite economical from the point of view of the public purse. Actually, costs in the first year, even if all provinces used all their quotas and the whole $40 million were used up, would not be likely to exceed $2 million. In later years, when the outstanding loans would accumulate and the interest burden therefore grow, and when the government was meeting its guarantees, the costs could rise appreciably. Nevertheless I believe they will always look reasonable and moderate by comparison with the size of the plan and the importance of its purpose.

When the Canadian student loan plan was discussed at the provincial conference in Quebec last March we made it clear that if a province decided to rely entirely on its own student loan plan instead of participating in the Canada plan, it would be able to receive equivalent compensation. The bill makes provision for this. As hon. members know, the province of Quebec has indicated that it intends to rely on its own plan. Some other provinces may decide to do the same thing. While I would be happy to see the Canada plan operating universally from coast to coast, I think all hon. members should be made aware that of all the provincial student loan plans, that which is at present operated by the province of Quebec is amongst the most generous in its terms and by all odds makes the largest number of loans.

Mr. Diefenbaker: Would the minister be willing to tell us what other provinces he has in mind that have given any indication they are going to operate on their own rather than come under this plan?

Mr. Gordon: Mr. Speaker, I would prefer not to mention the names of the other provinces. It was not indicated that these conversations would be made public. There were one or two provinces, one in particular, which suggested at the beginning of the conversations they would probably continue under their own plan. After considerable discussion, and after a full appreciation of this particular plan and its advantages, that province asked that it be given time to consider whether or not it would be in its own interests to come under this plan. Until I have a definite understanding one way or the other, it would be unfair to mention the name.

Mr. Douglas: May I ask a question which the bill does not make clear? In the event a province should decide to operate a student loan plan on its own, will the government pay them actual cash or simply guarantee the bank loans which they may make?

Mr. Gordon: I will come to that in my statement in just a moment.

Mr. Diefenbaker: Before the minister goes on, he mentioned one province and he does not want to indicate the name of that province; I am not going to argue with him on the basis of that refusal. Were there any other provinces in the same position of being uncertain, beyond Quebec and the province undesignated as yet?

Mr. Gordon: No province has formally stated whether or not it wishes to come under the Canada student loans plan as yet. In each case we have had very useful conversations, but understandably every province wished to see the bill in its present form after it had been passed by parliament, as I hope it will be, before making a definite statement one way or the other.

The option of receiving equivalent compensation is, of course, available to any province. To the extent that the growing demand for such loans now exceeds or may come to exceed the resources available under provincial student loan plans, I expect that the provinces will be inclined to contemplate the operation of federal and provincial plans side by side.

The formula for equivalent compensation, while it involves certain complications, is simple in essence. At the end of each year's operation we shall add up the cost of operating the plan in the other provinces and we shall then pay to any province qualified for equivalent compensation a proportion of those costs equal to the proportion that its age group 18 to 24 bears to the same age group in the provinces where the plan is in operation.

So, to amplify just a little bit and to answer the question, there would be no suggestion of guaranteed provincial bank loans. It would be up to a province that maintained its own plan to provide the funds that would be required, which might be a quite heavy drain on its credit, and all it would receive would be its proportion of the net costs to the federal government and the other provinces.

Mr. Grégoire: May I ask the minister if he has made the calculation of what it would cost the federal government according to clause 12 of the bill, his own formula?

Mr. Gordon: According to what?

Mr. Grégoire: Have you made a calculation according to the formula expressed in clause 12 of the bill of what it would cost the federal government?

Mr. Gordon: It would be easier if I tried to answer some of these more detailed questions when we come to deal with the clauses of the bill. Naturally I have made those calculations, and I shall be glad to give the answer at that time.

Mr. Chatterton: This is not a question requiring detailed information, but can the minister say whether this equivalent payment to a non-participating province would include not only the interest but also the defaulted loans?

Mr. Leboe: Mr. Speaker, on a point of order, we ought to deal with these things in committee. We should let the minister finish his statement and then when we get into committee we can ask these questions. We are acting as though we were in committee now.

Mr. Deputy Speaker: I think that is a very good suggestion. Possibly hon. members will want to withhold detailed questions until we have reached that stage.

Mr. Gordon: I appreciate the considerable interest of all hon. members in this piece of legislation, which I think we would all agree is a very important step forward in this field. Now I think it would be better if I were to finish my speech.

Apart from such a province, that is one that would be receiving this equivalent compensation, there is no doubt that the Canada plan will provide a very substantial element of support and relief in connection with the rapidly increasing financial burden of higher education. The resources of the federal government are greater than those of the provinces, and none of them can have the same access to a country-wide system of guaranteed bank loans.

In conclusion I would like to repeat that while other plans may be expected to continue, the Canada student loans plan will be the biggest and by far the most widespread of them all. Its launching is to me, and I am sure to hon. members of all parties, a matter of great personal satisfaction. As we consider this bill I hope we will all be able to recall the hopes and aspirations of our own early days. It is surely a good thing to take part in launching a plan that can give so much help and encouragement to so many young Canadians and, through them, to the country for whose future we in this house must bear a major responsibility.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I say at once that the minister has set forth a summary of

the concepts that led to this legislation, and some general ideas as to its application, in a way that is most commendable. I say that because he has covered the situation connected with the difficulties of young men and women in securing education beyond secondary school age in a way that makes this legislation a subject that I am sure will receive general support in the house.

However, in saying that I should add that it falls far short of the undertakings and promises that were made during two election campaigns, and even prior thereto. The promise of 10,000 scholarships, which had a tremendous appeal, apparently has been forgotten and joins what the minister has described as clichés which have served their purposes and ends and are no longer regarded as of such importance as they were one and a half, two and three years ago.

I am glad to see this legislation among others in the priorities that have been placed before us. The Postmaster General is not here at the moment, but I must say I am very much indebted to him for an article which appeared in the *West Ender* of Vancouver, a report from parliament hill in which the following appears:

> Although during the past few weeks the House of Commons has made significant inroads in the legislative program, there are still very important measures which must be adopted.
>
> To renew the progress of the past few weeks it is gratifying to report the following items have been dealt with:
>
> —The approval of the Columbia river treaty.
>
> —The national housing legislation.
>
> —The farm credit extension bill.
>
> —The constitutional amendment to provide for supplementary benefits in our pension legislation.

Then he goes on to say:

> Your government has reason to be pleased that these measures have passed as they are necessary and constructive measures. But it is equally important that other measures in the government's program for action be dealt with before members can leave Ottawa.
>
> The Prime Minister has proposed that the following urgent legislation be completed in July:
>
> —The national defence bill.

That has been passed by the House of Commons.

> The extension of family allowances to 16 and 17 year olds who continue their education.

That has received the consideration of the house.

> The bill providing for student loans.

We are now dealing with it.

> The federal-provincial fiscal arrangements bill.
>
> Third and final reading of the extension of the fishing zone to 12 miles.

[Mr. Diefenbaker.]

The significant part of this is that parliament is away ahead of the government's expectations, because the next paragraph says:

> When these items are completed, hopefully by July 22 or 23, the house will return to the flag debate—

This is the first admission on the part of a member of the government that the progress made in the house is even much faster than their optimistic hopes could have expected or anticipated. Indeed, I am grateful that the Postmaster General saw fit, in a non-political report to his constituents, to pay tribute to the efficient manner in which those prior matters in legislation are being passed by parliament.

However, there is one other matter that is of interest, because after all this question has been delayed for months. Student loans have been expected ever since the speech from the throne gave promise of their being presented to parliament, and we in the opposition have continually pressed for this legislation to be brought before parliament. Apparently it belonged to the category of legislation that was promised; the program enunciated before there was consultation with the provinces, and then when consultation took place and threats of legal action were made against the federal government if it proceeded without regarding provincial jurisdiction, changes and alterations were made.

This legislation could have been introduced a long time ago. Indeed, it is now quite late, for everywhere across our country we find students in the position referred to by the minister, of being as it were in a state of suspended animation awaiting legislation while at the same time realizing that without the legislation they might very well be unable to carry on their education. The minister went back to the earlier days of his youth and spoke of the difficulties—

Mr. Gordon: That is a long way back.

Mr. Diefenbaker: —experienced by all who were not possessed of many worldly goods. Many in this house—I do not know whether he is in that category—have had the experience of having to endeavour in various fields of work to earn sufficient to carry them back to university for the next term. I had that experience for several years. I remember one year in particular when I worked in the summer as a hired man, lived on salt pork and ended up with a growth on the back of my neck that used up my entire savings of the summer. The Secretary of

State for External Affairs belongs, I understand, to a group that found it necessary to do many things to provide for an education. As the minister has said, those days have changed and today there is in all parts of the free world legislation to provide assistance to students.

I mentioned a moment ago that this legislation enjoyed a position of priority. I would not want to interpolate anything of a political nature, with the Secretary of State for External Affairs sitting opposite me, but I was impressed a day or so ago by a statement made by the premier of Saskatchewan. There is another piece of legislation that should be before the house but has been forgotten, and that is the redistribution measure. It came; an amendment was suggested by the N.D.P., and it passed away. It was a shadow that came before parliament, darkened the house for a moment and then disappeared.

Now we begin to see, in view of a statement made the other day, the reason for that. I am beginning to wonder, sir, whether this priority legislation, followed as it is to be by the renewal of the flag debate, is not based on a determination of the government to have an early election, to which I referred the other day but did not have any supporting evidence. Now I have that of the premier of Saskatchewan, who last Thursday said:

> Premier Ross Thatcher said today he believed there would be no redistribution of seats in the House of Commons before the next federal election.
>
> Mr. Thatcher said he had discussed redistribution, under which Saskatchewan could lose four of her 17 federal seats, with Prime Minister Pearson.
>
> "He didn't flatly say there would be no redistribution before the next election, but he expressed doubt that there would be at the rate parliament is moving".

That is one of the most interesting revelations. Out of the mouths of babes comes wisdom. This legislation is part of that priority group that apparently is far more important than any question of redistribution. I would not want to exacerbate the sensibilities of the Acting Prime Minister by bringing in anything of a political nature, Your Honour, but I feel that Premier Thatcher's frank revelation of conversations with the Prime Minister indicates that that must be the purpose and the aim. That is the reason this legislation is brought in at this time, to be followed by the flag resolution; and then, in the event that there is not that submissiveness on the part of parliament to the Prime Minister's diagram, there is going to be an election before there is redistribution.

The particular subject for discussion today is one of these priority questions. I listened with interest to the minister as he said, as does the bill, that $40 million a year will be made available. I am all for this legislation, but I ask this question. What is the effect of this measure going to be on the universities and other institutions of higher learning, with regard to the numbers of students? What is going to be done on the part of the government of Canada to provide, following consultation with the provinces, the additional plant, laboratory, classroom facilities and so on to handle even a small part of the additional numbers that will enter universities, when facilities are now strained to capacity in every province? What plans are there in this regard?

When we were in office we faced this problem. The province of Quebec took strong objection to the acceptance of university grants. Indeed, the amount had piled up to some $25 million by 1960. The premier of Quebec at that time was the late Paul Sauvé. An arrangement was made between the government of which I had the honour to be the head and the government of Quebec whereby this matter was solved for the first time. It had remained unsolved, indeed untouched, for a period of years. During the period we were in office we increased the amount of grants, on a per capita basis, from $1 to $1.50, and in December, 1962 to $2 per capita.

The result of our interest in university education and assistance thereto was that compared with the year 1956-57, when under the then Liberal government Canadian universities received $16 million in per capita grants, by 1962-63 they received $26.3 million and in 1963-64 the amount which would have been expended was some $26.8 million. In other words we were doing something to achieve that objective which the Minister of Finance has described, giving to young men and young women the opportunity to secure education not only in quantity but also in quality.

This is a problem which must be faced. For the first time, during the days of our administration there was made available long term low interest loans to universities for the construction of student residences, which was a tremendous advance on behalf of university education in this country. We made available loans to Canadian universities to construct living accommodation for resident students, and those loans amounted

in total to more than $41 million. We made possible the doubling of student residence capacity, with new residential accommodation for 10,000. We encouraged university students. For the first time we provided for the deduction of tuition fees for income tax purposes. We also provided special assistance to parents who were supporting their children at university by allowing exemptions even after the students had reached the age of 21. In addition we implemented legislation increasing the monthly education allowance for the children of war dead from $25 to $60 a month. All these things were done to reach the objective so necessary today of increasing opportunities for university education.

I am not going to put a large number of statistics on the record. I am going to suggest instead that hon. members who have not done so read the report entitled "University costs and sources of support" published in 1962 by the Canadian universities foundation. Also a further report by the same foundation and the same author, Dr. Edward Sheffield, concerning the projected student enrolment in Canada in 1976; and finally, to consult figures available from the higher education section of the dominion bureau of statistics.

Without going into detail I should like to summarize one or two projections for the future. There are today some 141,000 university students. That number will greatly increase. Indeed, by 1976 it will be more than three times what it is today. One of the reasons is not only the desire for education but, as the minister indicated, the increasing numbers in our population between the ages of 18 and 24 years. There has been a tremendous increase in this regard. The minister mentioned the birth rate. In 1951 there were only one and a half million in that age group. Today there are close to 1,900,000, and this figure will greatly increase.

Then there is the increase in the percentage of young men and women as well as older people who go to universities. In our day there was only a very small percentage of people who went beyond grade 12, but in recent years the increase in this number has been tremendous. If one goes back to 1951-52 one finds that 4.2 per cent of the population between 18 and 24 years of age were enrolled in university. By this year this figure has approximately doubled. It will continue to increase and will double again to about 16 per cent by 1976. That is why this is one of those problems—education within the jurisdiction of the province—which we must solve.

However, university education is becoming such a vast and tremendous problem that it requires national endeavour, and that national endeavour has to assist and correlate itself with provincial action by agreement. The number of graduates of universities gives some idea in this connection. The veterans' peak was in 1951-52; the number of graduates that year was about 15,000. In 1962-63 it was 28,913, and in 1963-64 it was 32,250. By 1976 the number will be 95,400.

Not only have the numbers and the percentages increased, but as well the operating cost per student in Canadian universities has mounted tremendously. In my day one's fees amounted to $35 or $40 per year. Today they are 10 to 12 times—I am not speaking about specialized professions—what they were then. The actual operating cost of the university student in Canada in 1956-57 was $1,200. Today it is close to $1,920. By 1965-66 it will be $2,200.

Those, Mr. Speaker, are challenging figures. The operating costs of universities in 1956-57 amounted to $85 million a year. In 1962-63 it was $225 million, and the projection for next year is $325 million. These statistics indicate the need for action. What is being done is beneficial, but it is just a start. It is just a stopgap, if we in Canada are to keep pace with the ever increasing need for university graduates, in particular those in science and engineering.

How are we to finance this? Where is the money to be found? Is free university tuition practical or practicable? Shall we continue to have university students pay increasing amounts in tuition fees to meet the rising cost of university education? I do not think so. Should universities control student enrolment by making entrance standards progressively tougher? Well, I know there are some very brilliant students in this house, men who were brilliant in their university days. But I also know that some of the ablest lawyers in this country found it impossible to pass their examinations and would not have any hope of admission on the basis of present day requirements. I know, too, that some of the most successful Canadians were anything but brilliant in the days when they attended university. For some

reason, over the passing years they outdistanced those whose brilliance was apparent in their university days. I am glad to see the Postmaster General here, because he and I are in agreement on this.

Mr. Martin (Essex East): Winston Churchill is a good example of that in another country.

Mr. Diefenbaker: Yes. The Acting Prime Minister, again free from all political considerations, has suggested Winston Churchill as an example and there are many more. I sometimes wonder, though, whether the fact that he was not a success as a student was due not to any lack of intellectual capacity but to the fact that he did not really like the place he was attending. It was too slow for him. He had other views. One has only to read his reports from the Malakand campaign in the 1890's, only a few years after he was unable to pass his scholastic examinations, to be confirmed in this view. He wrote reports of that campaign which in my opinion are equal, if not superior, to anything he ever wrote in later life.

But this is just an occasion when I have been diverted from my subject by a very pertinent observation. If I were to be personal about the matter, I would look over at the Acting Prime Minister and say that he is one of those outstanding examples of high scholarship who showed such promise during his student days.

This student loan plan is an attractive one. It must be recalled, however, that six months after graduation or after the expiry of five years there will be a $500 payment required plus $300 interest. I just mention this, though I am sure the minister has concluded that on the basis of the present day earnings of recent graduates this will really not be difficult to meet. But it deserves consideration. This plan is an emergency measure. It is to be supported generally, I think, by members of the house, but it does not meet the overwhelming problem of advanced education in Canada, a problem which will have to be faced if this nation is to be able to meet in the years ahead the destiny which lies before it.

I will not enter into any further particulars at this time. Various members of the opposition will deal in detail with certain aspects of the subject. I conclude by summarizing what I have said. This question of university education is in my opinion one of the greatest problems our nation faces. We, while in office, make great advances. As I have indicated, this is a further step. I think it would be the course of wisdom when we come back this fall for the second part of the session—if we do—for a committee of the house to be set up to consider this whole question of advanced education and postgraduate education, so that in a community of co-operation in a field which is above all political considerations the members of this house, and there are many who are interested in this subject, will be able to give a consensus of their views. This having been done, the government would be in a better position to present the question to the provinces in its national context.

This university problem and the necessity of assuring the widest and most soundly based university training to all who are qualified is not solved by makeshifts, however beneficial. This is a field in which we have fallen behind. We are 15 years, I think it is, behind the United States. My hon. friend from Digby-Annapolis-Kings has made a profound study of our position vis-à-vis that of the United States, and I believe that in the course of his remarks he will deal with this aspect of the question.

Mr. T. C. Douglas (Burnaby-Coquitlam): There can be no doubt as to the need for legislation to provide financial assistance to young people who are desirous of acquiring a university education or higher learning. There was a time when advanced education was thought of as being reserved to a comparatively small proportion of the population, particularly for those who were interested in entering the professions or the higher echelons of business.

That is no longer true. We have now moved into a technological era in which, in order to make a good living and in order to make a useful contribution to society, a very large percentage of our population needs advanced education. This has been shown by the steady increase in the number of students enrolled in universities in Canada. The number has gone up from 62,000 students in 1952-53 to 141,000 in 1962-63. It is estimated that it will double in the next six years and may reach 480,000 by the year 1976-77.

Not only is enrolment at universities steadily increasing but the cost is going up. While the number of students at universities is going up 11 to 12 per cent per year, operating costs of universities have been going up at the rate of 16 per cent per year. From the standpoint of the student, what is even more alarming is that since 1957 student tuition fees have risen by 22 per cent. There

is no way by which the average student can make up that 22 per cent increase. No student's earnings from summer employment have gone up 22 per cent. There has been a very rapid increase in student fees and the amount of money it is necessary to have in order to get an advanced education has been climbing steadily.

The fact is that in Canada today lack of finances is denying a very large group of young people the opportunity to avail themselves of advanced education. Dominion bureau of statistics figures show that in 1960-61 there were over one million young Canadians between the ages of 18 and 21. It was estimated by educational authorities that of that number over 20 per cent had the mental and intellectual capacity to acquire a university education. But the fact is that only 11 per cent were able to attend centres of higher learning or about 114,000 young people. This means that about half the young people who could have acquired a university education were unable to do so and I think it would be a fair assumption that a fairly large percentage of them did not acquire a higher education because they lacked the necessary financial resources.

It is significant that the burden of finding the necessary money to attend a centre of higher learning is very naturally most prevalent among young people who come from homes that are in the middle or lower income brackets. The *Financial Post* of February 8 last carried a survey which looked into where most students get the funds to attend university. They came from a variety of sources, some from private scholarships, some from provincial scholarships, some from money lent to students by relatives and so on; but the two large items by which students financed were summer work, which accounted for 28.6 per cent of all revenue which students got, and funds supplied by parents, which accounted for 31.9 per cent. This means, of course, that where parents are not able to supply these funds students are unable to get an education.

The University of Toronto advisory committee on ex-service students made a survey. Their study revealed that whereas normally only 20 per cent of the university student population came from the homes of industrial workers, 32 per cent of the veterans came from such homes; and whereas 55 per cent of the normal student population came from the homes of professional, managerial and business people only 36 per cent of the veterans came from such homes. This helped to establish at the University of Toronto at least that the number of students suited for university education from low income groups was significantly larger than the pitifully small number who can ordinarily obtain such an education.

The Canadian union of university students has done a great deal of work on this matter. They hired a group to make a survey for them and tried to ascertain the effects on students in Canada of the lack of financial resources. I have here a table showing the number of students who over the years have had to interrupt their education because of a lack of money. It is interesting that the bulk of them, of course, fall in the category of those who come from homes of fairly modest incomes. I can sum up their whole survey by quoting from a speech which was made to members of parliament in room 112N by Mr. Patrick Kenniff of the Canadian union of students on June 25 last. He summed up the situation by saying:

> It is very significant that among students whose family income is less than $5,000 per annum, over 30 per cent are required to interrupt their university education to go out and earn the necessary money to continue. It is also interesting to note that this rate drops sharply as family income increases. At $6,000 the interruption rate is 15 per cent, while at $8,000 it is 3 per cent. Without increased student aid now, we are risking making financial means the chief criterion for a university education right across the country.

Therefore, Mr. Speaker, I certainly agree that legislation to assist needy students is long overdue in this country. I want to say, however, that the legislation now before us is, of course, a long way from the promises which were made by the Liberal party and by hon. members opposite not only before the election but even after the election. I have here a photostat copy of the Toronto *Daily Star* of May 1, 1963 with a great banner headline saying that Ottawa is going to make available 10,000 scholarships of $1,000 each for four years to students. This was announced by the Minister of Northern Affairs and National Resources (Mr. Laing). These scholarships were promised by Liberal speakers in every corner of the country. No scholarships have so far appeared. The student loan legislation now before us is a poor substitute for the 10,000 scholarships that were promised.

This legislation is really not going to cost the government very much money. Someone asked the minister how much a while ago and he said he had made estimates and that he would tell us when the bill is in committee of the whole. On the assumption the minister

is going to pay 5 per cent interest on this $40 million, and assuming it is all lent out in any one year, it is estimated there will be a payment of somewhere in the neighbourhood of $2 million a year or slightly more if the minister has to pay a higher rate than 5 per cent. This is not a very heavy contribution toward removing the financial barriers or, to use the minister's phrase, to ensure that no competent student lacks financial support to go beyond high school.

The fact is, Mr. Speaker, we are not really going to grapple with this problem until we make university education absolutely free to every young person in Canada who has the intelligence to acquire it. After all, education is no longer a luxury. Education is something which is absolutely essential to enable young people to make a living and, consequently, to enable them to make their contribution to modern society in this era of the scientific revolution. After all, tuition fees now account for at the most 28 per cent of the cost of operating a university. This means that society as a whole pays up to 72 per cent of the cost of the university education of those who are able to put up the other 28 per cent. If a student or his parent cannot put up that part which they must pay through tuition fees, then all the rest of the benefits of a university education which are provided by society as a whole are denied to that student.

Most of the modern countries in the world today are now providing free education to university students and to students going on in the fields of art, music and dramatics. In the United Kingdom, ever since the education act of 1948 and in the Scandinavian countries, even in a little country like Israel with all the economic problems which confront it, free higher education has been provided. In Israel special allowances are provided to enable a student to go to university, and there are special allowances for those who are married. Dr. Cyril James, a former president of McGill University, said this:

> A young Canadian from a family of modest circumstances has less chance of getting a university education today than a youth in any other country with which I am familiar.

This, Mr. Speaker, is the most damning indictment that has ever been levelled at this country. We are years behind most of the modern industrial nations of the world. We have a much larger drop-out of students between grade 1 and graduation from university than most of the countries in western Europe and larger, of course, than the United States.

I say that one of the first things we have to do in Canada is to abolish university tuition fees. The government of Canada could do this by increasing its per capita grant to universities on the condition that the universities, in turn, discontinued tuition fees. This would be a comparatively small contribution financially in terms of the vast need. It would be an advantage not only to the individuals concerned, but for the technological development of Canadian society which in the years ahead must compete with other countries that have highly trained personnel.

I readily acknowledge, of course, Mr. Speaker, that neither scholarships nor student loans will meet the real problem of university education. The real problem of university education, over and above the things I have been mentioning, is the lack of educational facilities, equipment and trained staff. There is little value in enabling a young man to go to university if there is no classroom for him to sit in, if there are no professors to teach him and no laboratories in which to do his experiments. The crying need in Canada today is for capital to expand the university equipment and facilities. The universities have been struggling to cope with the demands. Their capital expenditures have risen faster than enrolments, because scientific courses require expensive laboratory equipment. For instance, in 1956-57, university capital costs were only $21 million. By 1961-62, they had gone up to $136 million. It is estimated that for the three-year period 1963-64 through 1965-66, some $800 million will be required.

Now, Mr. Speaker, it is a sad commentary on our society that we have no difficulty getting capital for supermarkets, filling stations and more hamburger stands, but we have not as Canadians been able to find the necessary capital to expand university facilities in order to train the young people who will supply the technical personnel that will decide whether or not Canada can compete in the scientific era of tomorrow.

We in this party have been arguing throughout the years that the federal government must provide social capital which is necessary to enable the universities to keep pace with the growing demands for space, equipment and trained personnel. The capital requirements are such that they are far beyond the financial capacities of the provinces. As a matter of fact, there is no reason why the provinces should be saddled with this capital cost of university expansion because the universities in the respective prov-

inces train students from all over Canada as well as from outside of Canada. All the students trained in the province of Quebec do not come from Quebec. All the students trained in the province of Nova Scotia do not come from Nova Scotia. Therefore it would be demonstrably unfair to burden the people of a particular province with the capital cost of supplying university plant and equipment.

We say that one of the responsibilities of the federal government is to supply the social capital which is necessary. We have been starving the universities. If we continue to do so, we will of necessity have to limit the number of students who can attend university. If we limit the number of students in the manner we are doing now by raising these tuitions fees, the students who will be shut out of the universities will be the students who come from homes that are in the lower and middle income brackets. If there is anything that ought to be determined on the basis of individual ability and not on the basis of financial ability it is higher education. There are hundreds of thousands of young people in this country who can make a contribution to our society and can live full, useful and meaningful lives if the university facilities are available and if we make it financially possible for them to attend.

With reference to the bill before the house, in my opinion it is very largely window dressing because the ability to secure a loan under this legislation will not depend on the Minister of Finance. It will not depend on the provincial authority which grants the eligibility certificate. It will depend upon the whims of the local bank manager. It is all very well for the minister to say, as he said in his speech, that if a student is not satisfied by one bank he can approach another. Yes, he can keep on approaching banks. He can spend a week or two going from bank to bank, but what is the experience of the banks?

I do not say this in criticism, but what is happening is that every branch bank is allocated a certain amount of money per month and per quarter, which is available for making loans. It is not an unlimited amount and a bank manager is under the necessity of making the best showing he can. As the Porter commission points out, he can make commercial loans and, by charging the regular 6 per cent interest, not on the money due but on the total amount of the loans, he can make anywhere from 9½ to 11¼ per cent interest. I myself have seen loans that made as high as 12 and 14 per cent.

If a bank manager has to choose between lending money to a student at 5¾ per cent—as a matter of fact during the period that the Minister of Finance is going to pay the interest it will probably be less than 5¾ per cent—and making a loan to one of his commercial customers and getting a return of 9 to 11 per cent, it is not very difficult to see who is going to get the loan, because there are not unlimited funds. The bank manager has only a stipulated amount of money available for lending purposes and he is anxious to make the best possible showing he can.

If anyone doubts that that is what is going to happen I suggest he take a look at the Small Businesses Loans Act and what has transpired under its operation. That is an act which was passed by the previous government in 1960. Most of us approved of it and thought it would be helpful to small businessmen. But last fall the Minister of Finance admitted in the house that although that legislation makes available up to $300 millions in loans, in the years of its operation only $90 million has been lent out—less than one third of the money made available for loans to small businessmen.

During the Christmas recess I decided to make some inquiries as to why more use had not been made of this act. I talked to businessmen and chambers of commerce and they told me many people had made application but had not been able to get loans. I then talked to bank managers and they said to me very frankly, "If you were only allowed $200,000 to be lent out in the third quarter of the year, would you lend it out under this legislation at 5 per cent when you could lend it out otherwise and make a higher rate of interest and a better showing for your branch?" The answer is obvious.

Mr. Gordon: May I ask the hon. member a question? How does he explain the fact that the present amount available under the Farm Improvement Loans Act, $400 million, which was the amount for the current three year lending period, is expected to be used up prior to the end of the period? I think the hon. member knows there is a motion on the order paper to increase it to $500 million, and under that piece of legislation the rate allowed is only 5 per cent.

Mr. Douglas: The minister is talking about the family farm improvement loans. For

one thing, Mr. Speaker, that scheme has been operating over a long period of time and I have some experience of it in rural communities where we made surveys on family farm improvement legislation. This applies largely in rural areas where the local bank managers do not have too much competition for the amount of money available to them for lending purposes. This is not true to the same extent in urban areas.

If the minister is going to give explanations, will he explain to me why small businessmen have received only $90 million in loans instead of the $300 million available, although that act has been in operation for six years?

Mr. Gordon: May I ask another question.

Mr. Douglas: Yes.

Mr. Gordon: Does my hon. friend not think there will be considerable competition on the part of the banks to establish commercial relations with these young men and women from whom will come the leaders of the future? I know in my experience banks have been very anxious to secure accounts early in people's business and commercial life, if they think they are going to develop into important customers. Does the hon. member not think there is something in this? I know the banks do.

Mr. Douglas: I hope there is, but I have had enough dealings with bankers to know this warm sentiment that the minister expresses is not likely to be very widespread.

Mr. Gordon: Please don't misunderstand. There is nothing warm about this sentiment; it is cold business acumen or judgment.

Mr. Douglas: Exactly, and it is because it is cold business acumen I am saying that when a bank manager has to choose between one commercial customer doing business with him every day, who wants to borrow $5,000 on which the bank manager can make from 9 to 11 per cent, the manager will probably find that a better loan to make than loans of $1,000 to five individual students, in the hope that some day those students will be back living in that community, and will be in business and be his customers in the future. I think the minister is stretching it pretty far.

As a matter of fact the minister is doing his best to put a good face on a pretty shabby piece of legislation. This legislation is like so much that the Liberal party brings into the house. Their whole principle seems to be, "How little can we get away with? What can we do that will look as though we are doing a great deal when actually we are doing very little?" This is like the 12 mile fishing limit. It is like so much of the Liberal legislation that pays lip service, to enable the minister to come into the house and say we are now going to reach the stage when no young person will be denied university education merely because he has not got the money.

He ought to say there will be no young person denied university education provided he can get a bank manager who will lend him the money. He did not say that. A moment ago the minister said he could not set up lending institutions all over the country. I said he did not need to do that, and of course he does not. He has a very simple remedy at his disposal and that would have been to have co-operated with the provinces in setting up a student loan fund in each province, administered by the province. Then the federal government could turn the money over to that student loan fund committee, which committee would then be in a position to allocate the money to students in the form of loans on the basis of the need of the students and on the basis of the students being able to show they have been conscientious and will make good use of the money being lent to them.

In that way there would be student loan committees whose primary interest would be in seeing that young people get an education, rather than having the loans screened by people whose primary interest will be safeguarding their money and making sure they get the best possible return for their employer, the banks for whom they are working. I do not think it is too late yet for the government to change its mind.

I have had some experience with this question of student loans. We found that the only way we could really make sure that students got the money they needed was to do as follows. I am talking in this case of a province. The province went out and borrowed the money, put the money into a fund, and set up a committee of representatives of the teaching profession, the universities, the student body and the department of education. They made the loans available out of this fund. The only test was, did a student need it, and was the student likely to make good use of it? Those are the only tests there ought to be. But when a student has to run the gamut of the gimlet eyed bank manager, the

student who is going to get the loan is ofttimes going to be the student whose father has good security, or the student whose father has an account with the bank and the bank manager wants to keep on the good side of the family. But what happens to the boy whose father has no bank account, who may not even have a father, and who has to go to the bank manager with no security, with no prospects, just hoping that the bank manager will see fit to make him a loan? The minister says that if he does not get it from one bank, he can always go to another. He will certainly be doing that; he will know all the banks in the community before he is finished.

There are one or two minor things about the act that I just want to mention before I sit down, Mr. Speaker. I am surprised that the minister has not put in the act the interest rates, but I understand from his statement that he hopes, of course, they may drop from time to time so he is going to set the rate by regulation. I am a little at a loss to understand why there should be two interest rates, an interest rate which the borrower will pay when he becomes liable, which is six months after he graduates—that rate is 5¾ per cent—and a lower rate which the minister expects to pay during the period that the minister is responsible for the payment of interest. After all, the federal guarantee is behind the loan, and it seems to me that a rate of 5¾ per cent is very high under those circumstances.

I am wondering why no provision is made here for graduate students, because certainly $1,000 a year will not begin to meet the requirements of a graduate student; and these are increasingly necessary particularly in the fields of science, engineering and medicine. At the present time the student union estimate that an undergraduate, if he is staying at home, needs around $1,100 a year, and if he is staying away from home he needs some $1,550; but graduate students, particularly if they have to go to the United States to do Ph.D. work, need anywhere from $2,500 to $3,000. These are the kind of people we will have to train if we are going to have, in turn, professors to train the other students who are going to be coming to our universities in increasing numbers.

I am wondering why there is no provision in this legislation for loans to be made by credit unions with the same guarantee that is provided here for the banks. Hundreds of credit unions all across Canada have been lending money to students for years with the guarantee of the parents or members of the credit union, and I imagine these credit unions will continue to make those loans to needy students. Why should they not have the same guarantee in this legislation that the banks are going to enjoy? I hope that when the legislation gets into committee of the whole, the minister will be prepared to accept an amendment or introduce an amendment himself to include credit unions, because I am sure he is aware that there are vast areas of Canada now in which there are no chartered bank branches. I see my hon. friend for Humboldt-Melfort-Tisdale (Mr. Rapp), who I am sure will agree with me that there are great stretches in the rural parts of the prairies where there are no chartered banks; where the only banking in the small rural communities is being done by credit unions. My hon. friends from the province of Quebec know that the young people there have been trained from the time they start in public school to put their money in the caisse populaire.

Mr. Grégoire: Exactly.

Mr. Douglas: They are used to dealing with the credit union movement. I see no reason why, if the government of Canada is going to guarantee loans to students, it should not guarantee them to the credit unions and to the caisse populaire as well as to the chartered banks of Canada.

Mr. Grégoire: Hear, hear.

Mr. Douglas: There is one small matter I want to mention to the minister merely because I hope he will give some thought to it and will give us an explanation when we get into committee of the whole. I am not a lawyer, but it strikes me as very strange that in clause 2, paragraphs (b) and (k)—I know I cannot discuss the clauses of the bill—there is provision for certain things to be done by the lieutenant governor in council. Lieutenant governors in council may pass orders in council on the basis of a provincial statute. I do not know how they can pass orders in council on the authority of a federal statute. It seems to me that somebody either has a very good explanation which indeed is ingenious or somebody has not thought about it and we are liable to be in great difficulties.

Mr. Nowlan: It will have to be ingenious, but will it be constitutional?

Mr. Douglas: It can be got around, of course, by the provinces enacting legislation and passing orders in council under their own legislation; but they certainly cannot pass orders in council under this legislation. This is something which should be looked into.

Mr. Grafftey: It is the new centralist look.

Mr. Douglas: In closing, Mr. Speaker, may I say that this legislation will be of some value, and I hope the minister is right and that it will be of considerable value. It will allow loans to be made, when the whole $40 million is put out in any one year, to about 40,000 students. Since these students will be at university for three or four years, assuming it is four years only 10,000 new students a year can come on to the plan. If the average length of stay of the student is three years, we will be able to take on some 13,300 additional students per year. I suggest that this is totally inadequate. To be bringing 10,000 or 13,000 or even 15,000 additional students a year into university enrolment is completely inadequate in light of the fact that we have probably in excess of 100,000 students a year who are capable of making use of a university education or training at some higher centre of learning. If it is correct—and this figure seems to be general in other countries—that 20 per cent of the age group between 18 and 21 should be university material, then we should be increasing our university enrolment by something over 100,000.

This legislation, Mr. Speaker, will not do it. This legislation is similar to giving one solitary peanut to a hungry elephant. It will help. But let the government not feel that it has dealt with the whole problem of advanced education. Let it not throw this legislation as a sop to the problem of how to remove the financial barrier to providing education to the young people of Canada. We just have not done that. This is a useful step, but the government still has to tackle the much more fundamental proposition of increasing operating grants to universities so that they can remove tuition fees. The government also has to start making capital grants to universities so that they can expand their facilities, if we are ever going really to tackle the problem of bringing Canada into line with other modern nations so that every young Canadian will be able to get a university education irrespective of the financial ability of the parents of that young person.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, it is a pleasure indeed, as one who belongs to the educational profession, to speak on this bill which is before us. Certainly the government deserves commendation for bringing it in. Certainly also the principle is sound, as far as it goes. But I do not think it can be counted as anything more than the first step toward meeting the tremendous educational needs which exist in Canada. I say the principle is sound because I believe it is well that we leave some of the responsibility for getting an education up to the student himself, who has the opportunity of going on to school.

I look back in my own experience and realize that I would not have been able to go beyond high school if a very kind, dear elderly lady who was a neighbour of ours had not done for me exactly what this bill is intending to do for many other Canadian students, namely provide the money to go on to school. I was not even asked to pay interest while I was going to school, because it was assumed I would repay it when I was at work, using the benefits of the education I had received. Therefore, this is a good piece of legislation and we are happy to support it, albeit that it is only the first step and that there are some basic weaknesses in it.

As the minister has already pointed out, a number of provinces in Canada have preceded the federal government in bringing in some similar type of legislation to assist students within their own boundaries. While some of this legislation may not provide as much money as will these loans, to an individual student, in other ways it is far superior in its operation than this legislation. I think it is encouraging—and I would pass this piece of information on to the minister—that in the province of Alberta, where a student loan fund has been operating now for a number of years, they have not had a single student default in his payments under the operations of the loan fund. I am sure that this speaks well for our young people. I think it also speaks well for the principle under which this legislation is being set up, because it places some responsibility on the individual, and very often that responsibility assists the individual in doing a better job and perhaps being more purposeful and understanding while he is in school.

An amount of $40 million in a student loan fund represents, if students use the maximum amount of loan available to them, 40,000 more young people going on to school who might not have been able to do so otherwise. However this figure, while it seems staggering, is not just as much of a windfall as it seems to indicate. Because what happens in the

second and third years of this further education? Supposing 40,000 students are successful this year in receiving loans amounting to $1,000 a piece. Or let us say 50,000 students receive loans, because some of them may be asking for less than $1,000 each. When they wish to continue on at school for a second year they will require the same amount of money. Yet as I read this legislation, this amount will not double next year. This will certainly place a restriction on what at first sight seems to be a very optimistic picture.

Mr. Douglas: It is 15,000 students a year at the most.

Mr. Thompson: The hon. member says 15,000 students, but it is hardly that many. It seems to me that the government will have to reconsider this because I am sure that after the first year of operation of this loan fund more than 12,000 to 15,000 students will need help.

Mr. Gordon: Where do you get your 12,000 to 15,000?

Mr. Thompson: The minister asks where I get these figures. According to this legislation, the maximum loans each year will total $40 million. Does that mean that there will be $40 million next year in addition to the loans which are made this year?

Mr. Gordon: That is correct.

Mr. Thompson: Or does it mean that only 40,000 students who this year are going on to school will be able to continue next year, and that not until some of those students drop out will there be replacements?

Mr. Gordon: It will be $40 million the first year and then the amount will go up. It will escalate to about $200 million at the end of the fifth year, which will mean—

Mr. Douglas: In a single year?

Mr. Gordon: It will go up at the rate of about $40 million a year, we estimate, for the first five years, and after that it will go up at a faster rate. I thought the figure the hon. member mentioned of the number of students was not quite correct. I agree with him that the number is far too few, but we are not intending to limit it to those numbers at all.

Mr. Thompson: According to what the minister says, if this year 40,000 students applied for a $1,000 loan this sum will be required again next year, which means there will be no new students next year able to get these loans because the government will have to carry through next year the obligations made to the students this year. Certainly this limits the potential of the legislation unless the government intend to escalate each year. I think this is something which the minister must clarify and reconsider, because we have a greater obligation to students who want to go to university than just those who want loans this year and who intend to go on to finish their education.

The success of this legislation will not be known until it has been proven whether or not the students will be able to get loans from the banks; in other words, whether their credit is going to be acceptable to the banks so that the students will readily get these loans. As I read the legislation, I understand that the parents will not have to share in the responsibility of paying back these loans. If bank managers are going to operate as they do in normal commercial transactions, they will have a great problem when dealing with youngsters who are 18 years old in satisfying themselves as to the credit rating of a student.

However the need for this type of assistance is urgent in Canada. It is estimated that there are approximately 600,000 Canadians, and the figure is a conservative one, in Canada's work force today under the age of 19 years. I maintain that no young Canadian in this day and age is really fit to go out into the work force equipped to earn his own living before the age of 19. If we can assist 40,000 students a year, each year, to go on to these higher fields of education it will be a strong and substantial beginning in helping our young people to reach the standards of education they need. I do not think there is any doubt that a university education or its equivalent today is just as important in terms of job buying power as was a high school education in my day or a public school education in the days of our fathers and grandfathers. Therefore as has already been brought out very clearly by the hon. member for Burnaby-Coquitlam (Mr. Douglas), the greatest and most urgent need in our country at this time is to make available to our young people the education they need to carry their own load and earn their own living. I commend the government on this first step. In my opinion, something has been accomplished, albeit the principles upon which it is based are not as strong as they should be.

It was my privilege in my years overseas to assist in the development of an educational

system right from the beginning in the country of Ethiopia. During the fascist occupation of that country between 1935 and 1942 no Ethiopian national was permitted to go to school, except to a political school. So we had to begin right from the beginning when we set up an educational system in 1942 and 1943. I would draw the attention of the minister concerned to the fact that even in a country such as Ethiopia which we might, from our position, consider primitive and which is certainly undeveloped by our standards, education at all levels is free, even to graduate level, as long as the student is able to obtain the necessary marks. This is the objective toward which we all must work. It is in this light that the present legislation represents only a small beginning. Other countries are far ahead of us in providing opportunities for education.

I was startled by several statements the minister made. In referring to the method by which this student loan fund would be administered he said the students themselves would have to go to their local bank managers after getting clearance or approval from some provincial authority. Subsequently he said there would be no compulsion on these bank managers to grant these loans. And then, as if to justify that statement, he said: "After all, they will be lending out their customers' money". Surely, the hon. gentleman is not so ignorant of banking practice as to believe what he said. Or did he merely think members of this house would believe him when he made that statement? Actually that is not what is done at all. That is not how banks operate. It was certainly an amazing statement to come from a man who is charged with the responsibility for looking after the finances of this country. Just to correct him I would refer to the evidence contained in the official report of the banking and commerce committee here in parliament. As reported at page 455 in 1939 a former governor of the Bank of Canada said: "The banks cannot, of course, lend the money of their depositors". Earlier at page 398 of the same record he said: "They do not lend their deposits, of course". To hear the Minister of Finance make a statement to the contrary is startling. The hon. gentleman went on to say something about the government being responsible for the national purse, and being the protector of the nation's taxpayers. I suggest that both the national purse and the taxpayers need a little more protection than they are getting today particularly when the Minister of Finance gives us such wrong information as he did this afternoon.

Mr. Herridge: And after he has voted for Social Credit principles, too.

Mr. Thompson: Some of us talk a great deal about social capital. The hon. member for Burnaby-Coquitlam (Mr. Douglas) referred to it this afternoon and said it was necessary for the federal government to make available the social capital required to meet the educational needs of our country. That statement is correct, because certainly if social capital is classified as being the capital necessary to develop our capital resources it is not limited only to physical resources; it extends to the capital development of our human resources also, and it is this category we are considering this afternoon. Student loans fit right into this class of capital. However as long as we are to operate under the present system which insists on taking our social capital needs out of taxes instead of from our own credit sources, our ability to meet the demand for both industrial and social capital will be very restricted. I suggest to the minister that we must mobilize our financial and credit resources to provide the capital which will be needed if the tremendous cost of interest which would otherwise fall upon the taxpayer is to be avoided. I have just made a calculation without working it out in detail and I am sure that by the time the fifth year arrives, when there will be approximately $200 million out on loan—I think, in fact, there will be much more because these loans cannot be restricted to the 40,000 students who are expected to apply initially—the taxpayers of this country will have to pay a very substantial amount in interest on this capital fund. Certainly, in ten years, when the fund will have reached half a billion dollars—and I believe it will be even more when that time arrives—interest charges will run into a couple of hundred million dollars. This is not something to be regarded lightly. Nor would it be necessary to pay interest charges if we were to use our own public bank to provide this public or social capital which we are considering. Certainly, this is one of the legitimate spheres where it ought to apply.

The Leader of the Opposition (Mr. Diefenbaker) has indicated the tremendous need to increase the number of our young people attending institutions of higher learning. One factor likely to limit the scope of this legislation is this. I doubt whether we shall be

able to provide the physical facilities necessary to accommodate the tremendous increase in the number of students if an attempt is to be made to accommodate all those students who wish to take advantage of the legislation. The very fact that it will take time to develop these facilities will afford us an opportunity to bring in much more substantial legislation designed to meet our over-all academic needs. Again we return to the question of social capital. The cost of the physical equipment and accommodation which will go into the provision of these additional facilities will be tremendous. Under our present system we draw our social capital from the commercial or tax market, which means we, the taxpayer, are going to pay double the cost of this expansion as compared with what would be necessary if we were to raise the capital through our own public bank. This involves no small considerations, Mr. Speaker, because the status quo cannot be continued indefinitely. The pressures which are building up within our society will shortly demand that something altogether different be done.

Suppose our population in 10 years or in 1975, let us say, reaches a figure of 30 million people, as I am sure it will. Suppose that the percentage of our young people proceeding to a university education remains at approximately 1½ per cent, the figure now. This means that we are going to have 450,000 university students in school within 10 years or five times as many as we have now. How can we ever meet this need with this kind of legislation or with the rate of progress we are making in meeting the need for physical accommodation for these students?

The Canadian education association, meeting in convention last year, said that the greatest need in education today is financial. This is true. But it is also true that we cannot expect to continue meeting the financial need from the pockets of the taxpayers because they simply cannot continue to bear the load. In that regard it does not matter whether the federal government or the provincial governments collect the taxes because the people are the ones who have to pay in either case.

We are fortunate in Canada that we have a tremendously wealthy nation. We have the timber, the steel, the cement, the manpower and the know-how to put all these things together to build the finest educational facilities of any country in the world and make them available to every student who wants to go on to higher education and who at the same time has the initiative and ability to do so. This is the challenge that is facing us.

[Mr. Thompson.]

The question has been asked this afternoon: Where is the money to be found? If we are to continue to take money out of the same well from which we are taking it now, that well is about to run dry. Unless we bring in basic economic reforms there will be no possibility of our finding the money to do this job and we are going to be found guilty of robbing our own children of the opportunities they must have in order to take our places after we are gone.

Therefore I say that we must lay plans now to mobilize all our resources for the development of our nation as this nation must and deserves to be developed. The minister has said that the government, as the controller of the national purse and the protector of the national taxpayer, has these things at heart. I disagree with him very much. In a very particular way this responsibility falls on him as Minister of Finance at the present time. But I do not believe that the minister under present policies, to which he not only gives lip service but which he follows in application, is actually controlling the national purse as it should be or protecting the taxpayers' pockets either. Therefore I say that while we support this legislation in principle, while it is a first step toward meeting the needs now facing us, certainly it is only one very small step toward the ultimate goal which must be ours, that of making education available to our own children.

The suggestion of the hon. member for Burnaby-Coquitlam that the government should have co-operated with the provinces in setting up within each province a student loan fund operated and supervised by the provincial government is a sound one. I think it is one deserving of the consideration of every member of the house and particularly the government and the minister concerned with this legislation. We speak a great deal about the responsibility for education belonging to the provinces. The only reason the provinces are unable to meet their educational responsibilities at this time as they would like to, and as they should, is the financial limitations that are placed upon them primarily because of the inadequate federal-provincial fiscal arrangements now in existence. In my opinion it would have been a far better policy for the government to consult first with the provinces and obtain their advice on this matter because they have had far more experience than the federal government has had in this field. I believe

they would have received this advice if the course suggested by the hon. member had been followed.

I would go even further than he did and say that these student loan funds within the provinces should have been set up with social capital from the Bank of Canada and not out of the taxpayers' pockets. A revolving fund could have been established and as students completed their education and repaid the money it would go back into the fund to be used over again. This is a very fundamental and basic principle in developing funds of this type intended to perform a similar function. The process is a continuous one. If the minister had set up this kind of fund to be administered by the provinces he would not be faced with the dilemma confronting him now in trying to figure out how he will be able to give a further 40,000 students next year the same opportunity he has made available to 40,000 students this year.

I do not intend to speak longer on the bill at the present time. We will support it because we believe it is a step in the right direction, but we would again emphasize that it certainly does not reach the goal that should be reached nor is it trying to do so by a method that would have been far more satisfactory not only to the federal government but to the provinces, and most of all to the students it is intended to assist.

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, in a debate such as this one must begin by distinguishing between the objective to be reached and the means to reach that objective.

The objective to be reached here is, of course, to see to it that those who are able to benefit from education, that is, our young people, are given access to the best educational systems, so that they may be better prepared for life.

The legislation introduced today is only a method, of course, and can only be a means to attain that end. The goal to be attained is to develop the educational field, so that our young people may have access to the various schools, colleges and universities. In order to do this, the essential factors will be, first the schools, and then the colleges and universities. Moreover, there is a need for teachers, books, material, and finally, our young people must be able to reach all these educational stages.

There is no doubt that we favour the proposed objective and that we want our young people to have access, without any restriction, to the schools, colleges and universities throughout this country, and to avail themselves of the best educational system and the best teachers.

Today, one way of attaining that end is submitted to us. However, under the proposed legislation, there are no means of building more colleges or universities, developing laboratories or training a greater number of teachers.

This legislation is only supposed to be part of the general machinery of our educational system, which aims at giving our young people financial access to our educational institutions. And how do we go about it? Simply by saying: We shall lend you money up to $1,000 a year, for five years, and you will repay this loan at the end of your studies.

Education is said to mean a country's enrichment, but I wonder why, every time this country is to become wealthier in some way, either by developing natural resources or by allowing our young people to continue their studies, the only means that is found is to let them incur a debt. I find this surprising aspect in every piece of legislation submitted by the Minister of Finance (Mr. Gordon). There is apparently no possibility of developing this country, of increasing its wealth and assets, without putting it in the red by incurring a considerable debt. A surprising fact, indeed. I cannot understand why this country could not be developed without getting further in the red.

I think we should launch an inquiry on the subject, in order to increase this country's prosperity, either by developing its natural resources or by using its human capital, without going further into debt.

And how are we treating our young people? At the end of five years, they will be graduated as doctors, dentists, lawyers or engineers, and they will have incurred a debt of $5,000, even before they start practising their profession. They will be 25 or 26 years of age and, in the case of a doctor or an engineer, perhaps even 30, if they specialize, and they will be burdened with a debt of $5,000 even before they start their career. This means that right in the first year when they will begin to practise their profession, after starting their studies at the age of four or five, and finishing them at 25 or 26, they

will already have debts to pay off to the banks, as the result of loans made under this legislation.

Moreover, they will have to obtain further loans in order to buy the required equipment for their offices and, when getting on in years, they will owe fairly large sums.

In fact, in the case of a student in dentistry, he will probably have to borrow $7,000, $8,000 and even $10,000 in order to buy his chairs and all the required office equipment and, in some cases, his debts will be paid off only at his death when the insurance company will extinguish his debts with the premiums he will have paid all his life.

In my opinion, if the Minister of Finance is really eager to help young Canadians so that they might help in the development of this country, he should think of a system other than the debt system.

I note that the federal government has acquired the habit in recent years, of encouraging all classes of Canadians to get into debt. In fact, under the farm loans scheme, farmers are getting into debt. The same policy is followed in regard to rural development; again, the farmer is being involved in debt. Legislation concerning loans for industry and trade has already been passed; now we will have loans for students. The federal government has become a lending agency, which gets everybody into debt, from the cradle to the grave. And before long, there will be loans to enable Canadian citizens to borrow to pay the cost of their own funeral, because frequently families have not enough money for this purpose.

It is exactly the policy that this government seems to follow and, in order to make us forget what is behind all that, namely the continuous running into debt of the individuals, they gild the pill. In fact, the Minister of Finance did not mention any repayment. He merely said: Education must be developed. Then, in utter confusion he takes the objective for the method. As far as the objective is concerned, everybody is in favour. But with respect to the financial method, for instance, we do not agree.

Students should have access to institutions of higher learning, to colleges, universities and technological institutes. Very well. But why push them into debt? Why force those young people to start in life with a debt of thousands of dollars on their shoulders, even before earning one cent? That is what we cannot approve in the legislation before us.

[Mr. Grégoire.]

And how will those loans be granted? The chartered banks will create the money to enable our young people to continue in school. But those chartered banks enjoy an exceptional privilege. In fact, when a young man goes to the bank, the manager says: "Very well, my friend, we will lend you the money you need. The federal government will pay the interest and guarantee the loan. We will lend you $1,000." Then, all the bank manager has to do is to take his pen and a piece of paper and make an entry in the amount of $1,000 in the young student's ledger. He will have created $1,000 with no more trouble than that. Then, bankers will be getting rich at the expense of students as they are now getting rich at the expense of farmers, industrialists and businessmen for whom the federal government guarantees certain loans.

That is exactly what happens. And the almighty bank, not only will keep on doing like in the past, but will also develop education in our country.

It is really a shame to see that so much power is given to that organization which is getting richer on the pursuance of public works or the development of natural resources in this country and even today, that organization is called upon to push our young people into debt even before they start in life. Indeed, those young students will start school owing a debt to the most powerful banking institutions.

And when a young professional, a doctor, a lawyer or a dentist wishes to open an office, he will have to borrow again in order to purchase the necessary equipment, and maybe to pay the rent for the first few months. The credit of the young student will be practically exhausted by then. The banks will hesitate to allow him another credit margin to open an office, especially when we know that, in certain professions like medicine, science, dentistry or business all the necessary furniture and equipment cost a lot. Then, the young professional will have the greatest difficulty to start practising and the government will have to introduce other legislation to guarantee loans to young men who have completed their studies in order to help them open an office and practise their profession. In this manner, they will be indebted all their life.

Mr. Speaker, there is another point on which I would like to insist. The measure under consideration comes after many other measures by which the federal government

interferes more and more in an exclusively provincial field as specified by the constitution, that is education.

There have been grants to universities, grants to technical schools and, not long ago, the act providing for an allowance of $10 to students was passed. Today, we are considering a measure providing for loans to students. We already have special scholarships. In fact, for a number of years, practically every session we have had before us new federal legislation increasing the intrusion of the Canadian government in the educational field.

In general, education gives rise to a number of problems which can only be settled by united action, not by piecemeal and inadequate expedients. At present, the federal government takes certain steps in the field of education and, a little later on, a province takes other steps, with the result that there is no uniformity within the educational system of the provinces. Why is this? Because too many governments have a finger in the pie.

Instead, why does the central government not transfer to the provinces part of its taxation powers with respect to individuals and corporations so that the provincial authorities may carry out on their own a responsibility which is given to them by the constitution, the development of education within their territory.

In the province of Quebec, we already have a loan scheme, a scholarship scheme. And knowing the present Quebec premier, we can imagine that this new federal intrusion in provincial affairs will enable Mr. Lesage, by accepting those new loans to students, to keep the money which used to provide loans and scholarships to students. Indeed, that is what he did when the federal government increased old age pensions and raised students' allowances by $10; he kept for himself what he used to give. It will be the same thing with those new loans.

Then, the provinces will be inclined to withdraw their scholarships and say: use the federal loans to students scheme.

There are replacement payments, but they are always controlled by the federal government.

Mr. Speaker, we cannot accept the principle of this bill. We agree with the objective of the program, but not with the method advocated, at the present time, for it amounts to another interference, on the part of the federal government, in a field over which the provinces have the exclusive jurisdiction, that of education.

After this, people are surprised to find there is dissatisfaction. Why? Because the federal government wants to interfere in fields not under its jurisdiction.

It would be much simpler, for the government, to return their sources of income to the various provinces which want them back so that these provinces could themselves develop the field of education.

But today, the opposite is taking place. It is the federal government which takes the larger part of the cake, that is, of the taxes, and which, in so doing, tries to enter fields which do not come under its responsibility. The federal government, on the contrary, should hand back to the provinces a larger part of income, in order that they may themselves meet their obligations.

In the province of Quebec, people wish to develop this field of education, but they lack revenues. Already, private property is taxed and overtaxed by school boards; the provincial government has again increased the sales tax, from 2 to 4 per cent in some cases, in order to meet the expenses for education. Despite all that, the federal government keeps the major part of the taxes and interferes in the field of education.

It would be better—and we are going to submit an amendment to that effect—if the federal government turned over to the provinces 2, 3 or 4 per cent of personal income tax and, with those amounts, the said provinces would look after student loans. The advantage would then be as follows: The provincial government, being the only one to look after education, could standardize its general programs in order to improve the educational system within the province; the provincial government could make all the decisions without having to deal with the federal government. But, at the present time, both governments are interested in the same field.

Mr. Speaker, there are several clauses in that bill which make us question its legality. Thus under section 15, even those under age can borrow as if they were of age at the time the loan is granted.

There is a civil code in the province of Quebec which comes exclusively under provincial jurisdiction. This clause is clearly inconsistent with the civil law of the province, because, once again, under the constitution,

civil law comes under provincial jurisdiction. Has there been an amendment to the constitution allowing the insertion of such a clause which departs from the civil law of the province of Quebec?

There are many such clauses which are not consistent with the constitution.

For instance, under section 12, a provincial government may receive compensation payments if it does not want to take part in the over-all plan but, under that section, the ten payments will be paid to the province only six months after the fiscal year. This means that a province will be penalized for an 18-month period, that is the whole year plus another six months. In the meantime, the province will have to pay, meet costs, interest charges, and so on, during 18 months. Therefore, it will be at a disadvantage compared to the other provinces, if it wishes to get the compensation payments.

Mr. Speaker, this legislation contains things which are not necessarily acceptable. For instance, the federal government would like to have the right to determine what institutions the students wanting to secure a loan should approach. In section 13, the government would like to establish a set of rules which would be glaringly inconsistent with our Canadian constitution. It wants to reach agreements directly with the institutions the borrowers will approach. This is found in section 13.

Mr. Speaker, this legislation is contrary to our Canadian constitution, on several points.

It is often said that students need those loans to continue their studies. Well, Mr. Speaker, I would like today to congratulate the students of the province of Quebec, that is the students' federation of Quebec, including the general students' association of the University of Montreal, the general students' association of Laval University and the general students' association of Sherbrooke University. They all stated categorically that they are opposed to the federal program of loans to students. Why? Because those students' associations, which are primarily concerned wanted to put the general interest before their own personal interest. They said: The federal government must not get into the field of education, even by passing such an act.

I have here an article, which was published in the July 9 issue of *Montréal-Matin*, on page 10:

> No loans for students: French Canadian students once again required from the federal government the return to the provincial government of the taxation powers which will enable the latter to fulfil the priority needs of the province of Quebec.

[Mr. Grégoire.]

> The Quebec general university students associations once more stated that they objected to any step that would promote the passage of the student loans bill, saying that such a measure, although commendable, runs counter to the aspirations of the students who are in favour of a greater provincial autonomy.

Although they need this assistance, the people primarily concerned in this are opposed to the federal government intruding further into the field of education by way of this bill.

If those most directly concerned object so much, the federal government should realize that it must find other means to reach its objective.

We readily accept the method suggested by the Quebec students and which is that the Minister of Finance should say: For the provinces which do not want this legislation, we will give them back a certain percentage of the income tax. It would be exactly the same thing as in the case of the $10 a month allowances to students of 16 and 17 years of age.

I do not see why the minister cannot provide for such an alternative in this legislation. He would thus respect the provinces' autonomy while avoiding more disputes. Why always try to make matters worse?

It seems to me that the situation is already tense enough and that nothing should be done that could make it worse. The Minister of Finance should realize that this is not the time to provoke further people who do not want any intrusion from the federal government in the field of education.

We do not want Ottawa meddling with education in the province of Quebec. We believe we are qualified to organize our own educational system; we know that we are at least as qualified as the federal government. So, why always try to provoke and arouse the anger and the opposition of the whole population of a province? That is what we cannot accept.

After that, they will complain, they will say that there are fanatics. The fanatics are not the ones you think, but those who are always trying to intrude into other people's affairs.

The constitution states clearly that education is exclusively of provincial jurisdiction. To pass such a bill is certainly to intrude into a field that is no concern of the federal government.

It would be so easy, since it is going to cost money to the banks, to draw these amounts from income sources or taxation

rights and give them back to the provincial governments so that the latter could consolidate the development of their educational system. The provinces who would rather take advantage of the federal plan would be free to do so. We do not intend to force anything upon the other provinces. If they want to keep on letting the federal government interfere with the education field, we will not object to it, but so far as the province of Quebec is concerned, we object because that province will not have it and besides, the majority of the students in that province also objected to such an interference.

I also make it a point to protest against this new intrusion into the field of loans to students by the federal government. It has been suggested by the hon. member for Burnaby-Coquitlam (Mr. Douglas) that these loans should be made through the banks. I think the suggestion should be taken into consideration; loans could also be made available through credit unions or caisses populaires. Better still, since this is for the betterment of Canada, we should, and this is the suggestion we would like to make, allow every province to borrow from the Bank of Canada, without interest, so that every province may set up a students' loan fund.

But, what would be even better than loans would be to see to it that every province could draw from the Bank of Canada enough money so that it would have the necessary funds to improve the Canadian educational system: that is train teachers, build schools, colleges and universities, provide students with the means to live while they are studying. In short, the Bank of Canada should put at the disposal of the provinces the money they need for developing education.

The Bank of Canada must help to increase the wealth of our country, not only in the field of natural resources but also with regard to human capital. It should finance our needs through the provinces. The Bank of Canada is needed to develop our education system.

Those are our suggestions with regard to that bill. We are against it, first, because we see no point in getting students into debt before they can go out and earn a living. We feel they will have enough debts in their lifetime without being burdened with more while still in school. We much prefer a scholarship scheme, not a federal one, but one handled through the provincial governments. For that, the provinces must have the sources of income that will enable them to maintain a scholarship scheme which will help students to further their education without getting into debt.

In due course, we shall propose amendments to the act to allow those provinces wishing to do so to select another slice of income sources, either from personal or corporate income tax, so they can use those additional funds to grant scholarships to students.

That is what I wanted to say, Mr. Speaker. We will propose amendments in due course, but we are against the bill as it stands now. [*Text*]

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, I rise to congratulate the minister on his presentation this afternoon and on the moderate, balanced tone with which he presented this refreshing piece of legislation to the house.

Mr. Pugh: That is quite a change.

Mr. Turner: I rise, too, out of a personal interest. The riding I have the honour to represent is the home of two of Canada's leading universities. I speak of McGill University and Sir George Williams University. My riding is, as well, the site of an outstanding ladies' college, Marianopolis College. At these three institutions over 30,000 students pursue daily their studies toward a recognized degree. I would say on my part and on their behalf that the principle behind this legislation, the principle that talent and admission to university should not be denied by reason of financial straits, is one appropriate to justify the approbation of every member of this house. I would say, too, that it epitomizes what this government and this party is trying to achieve in the way of equality of opportunity; that any young man or woman who has the intellectual qualifications sufficient to gain admission and retain admission in a university should be able to pursue a university course of education; because as the hon. member for Burnaby-Coquitlam (Mr. Douglas) pointed out, a university education today is no longer the luxury it once was but is a necessity, a necessity not only for those who seek to make a contribution to this country later in life but a necessity for the country in that the skills of our young men and women are surely the prime asset this country has.

This legislation, therefore, is an investment, an investment in the intellectual capital of Canada in that it will achieve a bettering

of the skills of our young people and thereby increase the spiritual and intellectual assets of the country. I would hope this would encourage more young men and women at an earlier stage in their lives to point toward a university education so they may help us build up a Canadian bank of brains. I would say to the minister that I would hope any inducements he has made toward encouraging research in Canada, toward encouraging those who have achieved university status and the status of a degree in Canada to remain in this country, will be continued; because the purpose of this legislation, which is to bring into the academic institutions of Canada more of our brains and develop more of our brains will not be fulfilled, not only if we do not have the physical plant to service this potential but if we do not retain in Canada the young men and women who are able to take advantage of this legislation.

I listened with great interest to the hon. member for Lapointe (Mr. Grégoire) making his constitutional argument. Coming as I do from the province of Quebec and representing, in so far as their university studies are concerned, about 30,000 students who pursue their studies in that province, I would like to deal briefly with the constitutional position a little later on. Before I begin that analysis I would say that I think the constitutional argument is now an academic question in that I am satisfied that the rights of the provinces have been adequately fulfilled and that Premier Lesage, who once threatened to take the proposed legislation to the courts, has now no reason to challenge the legislation. In fact I am going to suggest that in his own bursary and loan plan as developed under the department of education he has a wider, more generous plan than that offered under the present federal legislation. I would think that in view of the fact that the province of Quebec now devotes over one third of its annual budget to education, it will be the intention of his government and the intention of Mr. Gérin-Lajoie, the new minister of education, to maintain the standards of the bursary and loan plan and to increase the services, the eligibility and the amounts payable under that plan. Taking the academic argument for what I now think it is—that is to say, academic in the sense that it will not entail any practical problems for the legislation—I would think the Canadian government has a responsibility under the general welfare provisions of the British North America Act to the youth of the country to increase the skills of our youth. Just as the federal government has a responsibility in the area of manpower retraining so as to meet the threat of automation, so also have we a duty to see that our youth is skilled sufficiently to survive and prosper in an automated and complicated age.

It should be noted that the subsidy, if subsidy there is under this legislation, attaches not to any educational institution but to the individual. We are living in a mobile society where students tend to get their education often in provinces other than those from which they come. We are now dealing with a payment largely along the lines of the welfare payments which attach to individuals, and this surely would constitute a powerful argument in favour of a federal jurisdiction.

Indeed, we have the general banking power under the British North America Act. Clause 3 of this bill makes it clear that this enabling section authorizes a bank to assume responsibility for loans to students, such loans being guaranteed by the federal government. Clause 15 is a recovery provision authorizing the bank to recover the repayment of a loan. In passing, might I say I could not agree more with the hon. member for Red Deer in saying that we anticipate very little failure to honour loans under this legislation. The experience of those provinces and institutions which in the past have maintained provincial bursary or loan schemes is such that it is found the rate of repayment is almost 100 per cent. As to the legal ability of a bank to pursue its rights under this particular legislation, any discussion while proper is probably academic in view of the record of students in this country who have in the past honoured the repayment of their loans.

On the other hand, I recognize that the provinces have a strong constitutional argument on their side. But I repeat that my conclusion is that the argument has been satisfied and reconciled. The argument advanced at the federal-provincial conference by the province of Quebec when discussing this subject was that this item fell under the head of education within the meaning of section 93 of the British North America Act by virtue of the remission of the interest payments during the tenure of the loan. While a student is at any university, and until six months after his graduation or withdrawal from university, such remission of interest in effect constitutes a subsidy for the purpose of his continuing his education. This is made clear in clause 4 of the bill.

The second argument advanced by the province of Quebec was that that province, as indeed other provinces like Saskatchewan, Alberta and others, was already in the field. I believe that in the year 1963 over $18 million was advanced by the province of Quebec under its bursary and loan plan to students; and roughly 50 per cent of those moneys were advanced in the form of bursaries, the other 50 per cent being in the form of loans. According to the official brochure put out by the government of Quebec, 40 per cent of the bursaries are repayable and in effect might be treated as loans. Taking this mathematically, if 40 per cent of the bursaries are repayable and the bursaries constitute half of the money advanced, roughly 65 to 70 per cent of all moneys advanced by the province of Quebec to students is in effect in the form of loans.

Mr. Pigeon: May I ask the hon. member a question?

Mr. Turner: If I might continue first, and then I shall be glad to answer any questions.

Mr. Pigeon: Does he agree that the system of the province of Quebec is superior to this one?

Mr. Turner: I understand the usual ticklish impatience of the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), but I said earlier that the plan of the province of Quebec is a remarkably fair and generous plan, and its terms of eligibility are wider in many respects than those of the present plan. Since 70 per cent of the moneys disbursed by Quebec is in the form of loans, it seems to me there should be no difficulty when it comes to working out the mechanics of making loans or distributing loans to students who travel from one province to another, in dovetailing these two plans.

I have mentioned two arguments in favour of provincial jurisdiction, namely that this matter falls under the head of education and that the province of Quebec was already in the field. A third argument underlying those two is the feeling that if an item falls under provincial jurisdiction, and if education is a crucial factor in maintaining a provincial autonomy, then there should be the constitutional power and the necessary resources to allow the provinces to fulfil that jurisdiction. To that opinion I subscribe.

Let me say, after posing the constitutional positions as I see them, Mr. Speaker, that this bill satisfies the constitution of this country. First of all, clause 10 allows any province to designate the appropriate authority for the issuance of a certificate of eligibility to a student. In other words, the province, as the minister has said, will act as a partner of the federal government. In the case of any province which decides to set up its own provincial student loan program, as Quebec already has, clause 12 of the bill makes it quite clear that that provincial right is maintained in its full sanctity. I rely too on the expression of intent of the minister when he said that the federal government has no intention of superseding any plan now in existence, and I interpret that to mean any provincial plan now in existence and certainly any plan privately endowed.

I have said that Quebec already has its own plan, and I understand that it is the intention of that province to maintain and continue its plan. On reading its terms of eligibility I feel confident that the students in the province will receive equal or better treatment than those in the rest of the country.

This massive attack designed to improve education standards in the province from which I come is succeeding to such an extent already that there are enrolled in universities in Quebec 10,000 more students than in the province of Ontario, and with this impetus I have no hesitation in saying that students who attend universities in my riding, and indeed in the province, will be well looked after.

Speaking to the bill itself, may I say I think it is a commendable and good beginning. I do not agree with the Leader of the Opposition (Mr. Diefenbaker), if I may say so with respect, when he calls it a makeshift. I think it is an admirable inauguration of legislation which will I hope be improved over the years. I would have wished to see the term "student" defined more broadly. Under the terms of this bill a student must be a full time student at a post-secondary educational institution. This disqualifies part time students, and particularly night students. I hope that in future years eligibility will be widened. I hope that the precedent which was set in the recent amendment to the Income Tax Act whereby tuition fees paid by part time students were made deductible, just as those paid by full time students are, will be followed in this field. I hope we shall see the day soon when part time students and particularly students attending courses at night will be able to take advantage of this legislation. I might say that provision to this end is made in the

law and regulations of the province of Quebec. This is an important area of education at university level. In every large city of this country a growing proportion of those attending university are not doing so full time in the day time but are doing so in their leisure time at their own cost at night. Of the 30,000 students who attend McGill and Sir George Williams Universities, more than 15,000, that is more than half, attend those institutions at night. I would imagine that similar figures apply to universities in the other major cities of this country. I realize the difficulty attached to making a beginning, but I would urge the government, in passing, to widen the eligibility under this measure.

I think there may be problems concerned with the mobility of our students and I hope the mechanics of arranging for students from one province who attend universities in another can be satisfactorily worked out. I do not wish to continue at any greater length. I congratulate the minister most heartily on his tremendous inauguration, a tremendous advance in the legislation of this country. I commend this bill to every member of the house hoping that we all recognize that it constitutes perhaps the first positive stimulus provided toward increasing the skills of our young people and encouraging them to advance to higher education.

The result of this legislation will be that young men and women having the necessary talent and qualifications regardless of their financial resources can now be assured of a university education. I interpret this as bringing us a step closer to a society in which equality of opportunity will be realized and this is of particular importance in a society in which success depends in such a great measure upon access to education. I hope too that this will be a stimulus, through true constitutional means, to any province which wishes to administer and manage its own plan. I think it satisfies the needs of a mobile society and the need for certain national educational standards. By this I do not mean national administration. I mean an equality of standards from province to province. I think it must also be a fulfilment of what we have called in this house cooperative federalism and I hope that members who enjoy debate will recognize that it preserves provincial autonomy and jurisdiction over education.

In closing may I say that I am sure the students of this country are immensely encouraged by what has been said today and by what is envisaged in this legislation.

Mr. Pigeon: I have one question to ask the hon. member. Does he agree to support the establishment of a department of education at the federal level?

[*Translation*]

Mr. Turner: Mr. Speaker, as soon as I came here, I was taught to answer only questions relevant to the bill under consideration. In those circumstances, I will abstain from answering the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), but I can assure him that I will give him an answer on a more appropriate occasion.

[*Text*]

Mr. Nowlan: May I call it six o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED UNDER ADJOURNMENT MOTION

Mr. Deputy Speaker: It is my duty to announce that the question to be raised at 10.30 is as follows:

[*Translation*]

The hon. member for Joliette-L'Assomption-Montcalm, a measure to control the rising cost of living.

[*Text*]

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

EDUCATION

MEASURE TO FACILITATE MAKING OF LOANS TO STUDENTS

The house resumed consideration of the motion of Mr. Gordon for the second reading of Bill No. C-110, to facilitate the making of loans to students.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, we have had an interesting debate this afternoon on the matter of loans to students and for a few moments I should like to discuss the matter further. I am not going to deal with any details of the bill itself. During the debate this afternoon there were references by a number of speakers to

various matters of detail which I think are important but which in my opinion can be much better dealt with in committee than in the house.

There are problems of constitutionality. I am not speaking of the educational prerogatives of the provinces. I think there are one or two sections of the bill which might be questioned vis-à-vis constitutionality. There are one or two sections the legal implications of which I think are rather dubious. However, these matters can all be dealt with much more adequately at the committee stage and I do not propose to deal with them now, important though they may be and quite properly referred to by some hon. members who have preceded me.

We have been dealing primarily this afternoon with the problem of the individual student. Other than the speech of the Leader of the Opposition (Mr. Diefenbaker), who referred to the general problem, other speakers dealt primarily with the problem of the individual student. It is a real problem and one could spend a great deal of time in discussing it. One could spend a great deal of time discussing just what comprises a university and the place of the student in it. I think it was Aristotle who, we are told, taught under a tree, and that was a university. When I survey the problems with which our universities are confronted it seems to me that our problem is not only to find the tree under which we are going to teach but to find the teachers who are going to operate under the tree.

I think it was Stephen Leacock who once said that the way to establish a college is first to find a teacher, then to get a smoking room and then to find the students thereafter. That may be a rough paraphrase of what Leacock said but generally speaking I think that was an apt description in his humorous way of the founding of a university.

Our problem today is not to find students to enter the universities. Our problem is to find the universities which can accommodate the students. That is the primary problem and it is in that regard that I should like to speak for a very few moments tonight. The suggestion has been made today that in the past possibly universities were the prerogative of the sons of the rich, that this measure is going to solve that problem, and that there will now be an open sesame whereby the sons of those not so rich or those who are in relatively poor circumstances will be accommodated in the universities. Personally I do not accept that statement at all. I am sure there are numerous members in this chamber who were not sons of the rich but who entered university and graduated therefrom, although perhaps with some difficulty and some hardship. That has been the tradition of our educational system in the past.

I can think of someone I know who was lucky enough to get a job as housemaster at a school for the blind at $25 a month and free room. If one wants the privilege of eating with the blind day in and day out, when they are really blind, even a stomach which is attuned to overseas service may find it a little bit difficult when you first enter that environment. But that is part of the background of which I am sure many hon. members have had experience.

The bill before us has an impact upon the individual and to that extent all of us welcome it. We know that there is a need for increasing opportunities for education. We welcome the bill. As I said, there are details in it which we can criticize and which we will criticize when we go into committee. But certainly the party to which I belong and I am sure all members of the house welcome the bill as such and are glad to see this additional step toward the educational development of this nation.

Having said that, we cannot overlook the problems which are flowing in upon the universities of this country today. The hon. member for St. Lawrence-St. George (Mr. Turner) referred this afternoon to his association with universities in his own riding and their great traditions. In a very small way I have been associated with a university as a member of the board of governors for 20 or more years, and I know something of the problems of a small university as well.

I think we can all appreciate the problems with which we are confronted. The truth of the matter is that there has been a phenomenal growth in the student bodies of our universities during the past few years, a growth which has taxed the universities to the utmost. Prior to the outbreak of the war the combined registration of the universities of Canada was approximately 35,000. That number had gradually built up during the years as Canada progressed. Immediately following the war, with the influx of veterans with the preferences they obtained from the government, the student bodies of the universities increased to a total of approximately 83,000. This was a really phenomenal increase and every university was taxed to the

utmost. Basements were used. Every possible type of accommodation which could be found was made use of. But it was done.

Following the influx of the veterans registration dropped off fairly substantially, not to the pre-war level but down to about 67,000. This year registration at our universities is approximately 158,000 students, male and female. When you consider that growth in that short time, you can envisage the problems with which the universities are confronted today.

Projections perhaps can be inaccurate. The Minister of Finance (Mr. Gordon) will recall that when he was chairman of a royal commission quite a few years ago he projected the student registration for this year. His estimate was considerably less than that which has ensued. As a matter of fact, every estimate, every projection of student registrations for these years have been substantially lower than the actual registration. If the projection of the conference of Canadian universities for 1970 is accurate we will have a student registration of 312,000 as compared with 158,000 today. This, Mr. Speaker, is only six years from now. If history proves, as experience has in the past, that this projection of 312,000 students is an underestimate rather than an overestimate—and this is without any stimulus such as is proposed in the bill we have before us—and is based on the assumed growth in population of this country, then the problem is acute indeed. If we assume the regular gifts and contributions which universities have received, the scholarships and bursaries, the usual accommodation which students are receiving today, and if we are facing a student body of 312,000 in 1970 under existing circumstances, and if the figures of the Minister of Finance are correct as to the effect of this $40 million—I am certainly assuming they are—then, you can see the terrific strain that is going to be placed upon our educational facilities within the next few years.

As I said, we welcome the bill in so far as individuals are concerned. However I suggest this is not any solution to the problem of education in Canada. We have to go much farther because actually we are facing an increase in registration of approximately 12 per cent per year and at the moment we have not the facilities to accommodate the students which we have today. The growth is going to be very much greater. I am sure the Minister of Finance would not be surprised to hear that I saw a brief, a copy of which I am sure was distributed to all members, from the university conference suggesting that in three years from 1963-64, the capital demands on our universities for the normal expansion to which I referred will be over $800 million. It is assumed that the provinces will probably advance roughly $300 million; there will be gifts from corporations and individuals of roughly $100 million; there will be loans for construction purposes of another $100 million, which would make $500 million in all. This still leaves a shortage of $300 million to be raised to take care of the mere physical requirements of the universities.

Speaking of the loans, I should emphasize what the Leader of the Opposition (Mr. Diefenbaker) said this afternoon. These loans are, of course, under Central Mortgage and Housing Corporation for housing accommodations and provision was made for them by the government of which I had the honour to be a member. I referred a moment ago to the relatively small university with which I have been associated for many years. This university is now contemplating borrowing $900,000 just to increase its residential accommodation. I hope, and I expect as a member of the board, we will be able to get most of that money from Central Mortgage and Housing Corporation to provide the additional residential accommodation which is required. Tenders are to be called tomorrow or the day after tomorrow for a million dollar library. A great deal of that money has to be raised by loans.

This means that $1,900,000 will be required for a relatively small university which a few years ago was accommodating 400 or 500 students and now is accommodating 1,500. The demands are still growing. Applying that little yardstick with which I have intimate personal knowledge, and the same problems to a greater extent apply to all the universities of this country, you can see something of the demands on the physical capacities of universities. A Liberal government of a former year under Mr. St. Laurent, as I recall it, gave $50 million to the Canada Council on the condition that they would lend or give this to universities, provided there were matching grants of an equivalent amount. In that day, when demands were not nearly as great, this was a real bonanza, a tremendous help to the universities of this country.

As I said a moment ago, if this estimate is correct and $800 million has to be acquired within the next three years, and if there are $500 million available as suggested, this

still leaves $300 million to be acquired. I suggest that possibly the Minister of Finance might consider following the same pattern followed by a preceding Liberal government, and make matching grants available so that this $300 million can be raised by dollar for dollar contributions from the federal treasury and from the grantors or donors to individual universities. I am speaking quite hastily, so this is a very rough outline of the physical demands, a minor pen sketch of the physical demands which are going to be required under existing circumstances, forgetting altogether the impact of this bill upon universities in the next few years.

I have been speaking of the physical demands. However as Aristotle exemplified, you get the tree and you get the teacher. Where are you going to get the professors and the teachers to meet the requirements of this burgeoning student body? The problem is not an easy one to solve. Perhaps in the field of arts, with increases in salaries, you can bring forward a certain number of teachers and professors to meet the demands. However in the field of science, with the competition from the United States, the competition from national defence laboratories where technicians, particularly physicists, are in the greatest demand, you have a great problem which is going to be very difficult to solve. Heretofore we have been fortunate; we have been bringing professors and teachers from Europe, emigres who wished to escape and who were well trained in the sciences. They were coming here, but that source of supply is pretty well finished. We now have to look for professors, teachers and instructors, to people trained in our own universities.

The province of Ontario I think is making a contribution towards this end. They are providing scholarships and loans to those who are prepared to enter the teaching profession, and as a condition of accepting these loans these people must enter the teaching profession. This would cover professors and instructors for universities. I think there, too, we can consider not only loans to students, desirable as they may be, but if we are going to solve this educational problem or make even an approach to it, we will have to do something to induce more and more graduate students to enter the teaching profession, because there are so many fields today which have their financial appeal that it is very difficult to meet the demands being made.

I read the other day that we are only graduating enough teachers—professors—that if they all stayed in this country they could only accommodate the present student body, without any possibility of meeting an increase in it in the future. If the figures I gave the house a moment ago are correct we shall have to double the teaching body during the next few years, and we are not going to do that by simply increasing the student body, desirable as that may be. Somebody, whether it is the government, private institutions, corporations or the provinces—and I suspect it is going to be a combination of all of them—will have to provide inducements for a terrific increase in our teaching body if we are going to attempt to deal with the demands for teachers.

Very hastily I have referred to the capital and to the problems of the teachers. What about the current problem, about the current demands and the deficits which every university is running up today? Despite the generous contributions, despite assistance from governments these demands and deficits are increasing. The government of Canada started to give assistance with grants based on 50 cents per head of the population of Canada, on a provincial basis. That ratio was raised under the aegis of the former government and under the aegis of the government preceding that, until today it is $2 per head for every person in Canada. But I suggest, Mr. Speaker, it is based on an entirely wrong principle. It is based on the population of the provinces, and the provincial population is not increasing anything like the increase in the student body. The student body is increasing at over 12 per cent per year, and we know the factors which have entered into this, such as the birth explosion, the post-war marriages and so on. It is because of these we have such a terrific increase in the student body, but still our grants remain based on population per province.

I think it was a wrong basis to start with, and perhaps I am a little selfish in saying that; but every province could give the same example. In Nova Scotia we have no provincial university, even though we have more universities per capita than any other province in Canada. There was a time when some consideration could have been given to amalgamating them but that time is long since past and now we have several, relatively small but very efficient and very good universities. Yet up until a year or so ago we had no provincial grant whatever from the province, and we were based on grants of 50 cents per head of the population, $1 per head, $1.50 per head and $2 per head, which is the present figure, and the universities have had to seek all the gifts they could obtain.

Because of the obvious high quality of those universities down there they have been getting students from Ontario, Quebec and all the other provinces of Canada. The law school to which I owe a little allegiance was recognized at one time, and possibly still is, as the best law school in Canada, attracting people from all over Canada to come down there as students. We have a large number of students from the West Indies. We have them from China, from Hong Kong and from various places throughout the world; but of course we get no credit for that whatever because we receive this payment on the basis of the population of the province, even though a large part of our student body may be coming from outside the province. If there is any unjustifiable system by which grants are made, this is certainly one which should be considered and revised in the immediate future. Because of that special problem of the maritime universities I draw the minister's attention to this fact, and I know he may well say to me, "Of course, you may have heard of that while you yourself were sitting over here." That is true, but there were factors which entered into the situation and the minister knows them well.

All universities in Canada are facing great demands; we recognize that. Yet the conference of university presidents unanimously recommended to the government of Canada, last year and again this year, that there should be a special increase in grants to the universities of Nova Scotia and New Brunswick because of the peculiar situation in which they find themselves. They recommend that pending a general revision of the basis to which I referred a moment ago, there should be an increase in the grants to Nova Scotia universities to $500,000 a year and an increase in the grants to New Brunswick universities to $300,000 a year.

When you get university presidents with all the justifiable demands made upon them, meeting in conference and coming to the government with requests to meet their own situations, and yet they unanimously join in a request for special consideration to the universities of Nova Scotia and New Brunswick, then I suggest there must be some real merit in the proposition they put forward or else they would never have joined in that appeal.

I am not going to take any more time of the house except to suggest that these problems I have mentioned, the fiscal, the current and the teaching problems, all require special attention and there are none of the answers to those problems in this legislation. Desirable as it is, worthy as it is, if it is successful—and I am sure it will be—it will simply aggravate the problems because it will create a larger student body and therefore greater demands on the fiscal, personnel and current problems of the universities in Canada as a whole.

My hon. friend from Burnaby-Coquitlam suggested this afternoon that the time had come when all university tuition should be free, that this was only a pourboire and that we should give free college tuition to everyone. That is a question which might be debated, a question which may have merit, but I do not think we have reached that stage yet. We have too many pressing problems at the moment, problems which I have outlined very briefly and very hastily.

Over-all, this country has a problem in education. It is not only a government problem, it is one that concerns the provinces, individuals, corporations and the federal government. It is a problem too big to be dealt with without the active co-operation of and a greater degree of assistance from the federal government than we have had heretofore. Much as we may welcome this bill today we are simply skating over the surface of the problems of education facing this nation, and I think the time has come when we have to evaluate the demands being made upon us.

Only the other day we had the royal commission on health reporting to us, and incidentally when you read that royal commission report you can see just one of the problems. You cannot proceed with the health scheme it recommends until you build larger and better medical schools, until you find more medical professors and teachers, and a problem of 10 years duration is going to ensue before that facet of the educational problem is met, assuming we can start meeting it tomorrow morning. That is only one of the problems with which we have to deal, and that is one of the demands being made on us for a health scheme which will be very valuable, very helpful and of great assistance to everyone.

We have a pension scheme just coming over the horizon, as we know, which presumably is going to provide security for everyone in their old age. Then we have this educational problem, which is a very pressing one. I quite agree with what everyone said here this afternoon, that the greatest asset this nation could have is a well trained, well

educated youth. Without that we cannot get ahead but, as I say, we have to evaluate the demands of these competing services.

Yesterday the Minister of Finance, dealing with another problem, said there should be conferences to cover taxation problems. The right hon. Leader of the Opposition advocated a general conference to deal with all the problems with which the nation is confronted. Whether we adopt the idea of one conference or a number of conferences the time has come when there must be a serious study given to the problems of education. It must be evaluated as against other demands made upon us. This bill we have before us tonight, which we will all support, is one step along the road; but the fact that we take that step creates other problems which must be dealt with in the near future.

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, very briefly I wish to recommend that the bill before us this evening should receive the unanimous and speedy approval of this parliament. To keep our nation strong we must encourage an ever larger percentage of our youth to attend institutions of higher learning. If we do not, we shall very soon lag far behind the nations of the western world. A university education is a prerequisite to an increasing number of positions in business and industry as well as in the professions and the public service.

The Canadian union of students maintain that only one half of the young people who are capable of higher education ever enrol in a Canadian university. They assert that such waste of human talent is indefensible. Few will disagree with this judgment. Student loans will not solve this problem, but they will help. This bill merits support only on the basis of half a loaf being better than no bread at all. In fact, compared to an adequate program of scholarships or the elimination of student fees entirely, it is a very poor half loaf indeed. During the immediate post-war period thousands of our best students would not have been able to go to university except for the grants they received through the Department of Veterans Affairs; and today many of the young people who need help are the sons and daughters of veterans who themselves were assisted by the federal government at the end of the war. I wish grants were available to them on the same basis as applied to their parents, but this is not so. There are very practical reasons why university attendance is beyond the reach of many good students in every Canadian community. Let me list some of them:

1. University fees are being increased year by year; living costs remain high. The minimum amount required for a girl or boy living away from home is approximately $1,500.

2. Good paying summer work is scarce in many parts of the country because of chronic unemployment; part time employment during the winter is difficult to find.

3. Hundreds of excellent students fail to qualify for the few scholarships that are available; they need help.

4. An increasing number of students are married and accordingly have family responsibilities.

5. Students are frequently required to travel to another province to secure specialized training or to pursue postgraduate work.

All these factors and others should be kept in mind in deciding whether or not students are in need of financial assistance. Another point that I should like to emphasize is that arrangements for negotiating loans should be directed by university administrators who have experience in dealing with students. Direct contact between students and banks should be kept to a minimum. Loans should not be hedged about with requirements and conditions that may be embarrassing and discouraging to many deserving young people I was glad to learn that no guarantor was needed, and not even the consent of parents.

Although loans are not a substitute for scholarships, let us make them as easily available as possible. Separate arrangements with those provinces which may prefer to expand their present programs is most commendable. In this way, delay can be avoided and benefits made available at once. This parliament should not withhold from any young person in this land the opportunity for the fullest possible education. With this thought in mind, let us not delay the passage of this bill in the hope that many students will be able to take full advantage of it this year.

Mr. Joseph Macaluso (Hamilton West): Mr. Speaker, I rise to take part in this debate because of my interest in the student loan program and also my interest in education. Another reason is that in my own riding there is situated McMaster University, which is well known for its research laboratories in, I think, radioactive isotopes, for its

engineering school and also for the great work done by its president, Dr. Thode, in the research field.

I do not wish to start my discourse in any political manner, but I do wish to comment on the fact that the right hon. Leader of the Opposition (Mr. Diefenbaker) mentioned the promise of the Canada scholarship program made by the Liberal government in the last election campaign and said it had been forgotten. I can tell the right hon. gentleman that there are many members on this side of the house and on the treasury benches who have not forgotten this scholarship program. I for one have not forgotten it; and it is our intention to come forward with it as soon as possible.

An hon. Member: What year?

Mr. Macaluso: We hear that our legislation is too late; it is too late already. The right hon. gentleman's words were that this legislation concerning the student loan program is too late also. But we should listen to the words of Mr. James G. Mitchell, president of the students council of the University of Waterloo and Mr. James D. Kraemer, chairman of the board of external relations of that university. They said this in a letter they sent to me:

> The Ontario legislature did not adequately meet the needs of her expanding universities and as a result there has been a widespread increase in tuition fees (a situation common throughout Canada). The increase in fees (which in our case amounts to more than $75) coupled with the growing scarcity of summer employment once again threatens to make "university" a "privilege of the wealthy".

Earlier in their letter they say:

> Our earnest hope is that the members of parliament will effectively expedite this priority legislation—

That is referring to the student loan program now before parliament:

> —which awaits the house, in order that a system of federal loans for students will be in effect for September, 1964.

Education today is one of the major public services in Canada and is absorbing an increasing share of the total revenues of all governments. Expenditure on education takes a very high proportion of provincial and municipal revenues, and this affects directly and vitally the public finances of the provinces and municipalities. The federal government's finances are also subject to strain as potential additions to federal revenues are reduced by increasing provincial and municipal levies and as the federal government is requested to assist increasingly in financing education.

It is generally felt that all have a right to obtain the level of education which they are able and willing to achieve. Education today is a door opening up opportunities for all individuals, but it is also a pathway, I suggest, to a nation's economic growth and development. It is becoming realized generally that education is an important factor inducing national economic growth as well as enhancing individual potentials. Universal education can be provided only by public authorities, and all levels of government, I suggest, need to co-operate in framing national education objectives and devising appropriate methods of financing the level of education which it is deemed we can afford in this country today.

In the modern society of today it has become essential to pay attention to the development of our human resources and skills. Failure to utilize these to capacity is a loss, not only to the individuals concerned but also to the economy of this country. One of the greatest challenges faced by modern society is to develop the full potential of its human resources, and virtually every country in the world shares this challenge.

The hon. member for St. Lawrence-St. George (Mr. Turner) earlier today commented upon the constitutionality of this program. As we all know, section 92 of the British North America Act sets forth those matters which are the sole responsibility of the provincial governments, and included among them is education. In the field of education the problem of intergovernmental division of responsibilities has grown rapidly since the turn of the century, when the total expenditure on education was about $10 million per year. Between 1951 and 1961 the expenditure on formal education increased from $516 million to nearly $1,800 million.

Expenditures on formal education are still increasing rapidly and in 1963 it was expected that this would exceed $2,300 million. By 1981 it is expected likely to exceed 7 per cent of the gross national product. This I submit includes not only the cost of students' education, but operational costs and capital costs to the universities themselves.

Everyone is aware of the rapidly increasing enrolment at universities and colleges. The number of persons of university age is rising

at a high rate and is increasing proportionately every year. At this university age level, a greater proportion are going to universities and colleges today than ever before. It is becoming increasingly necessary for young people to take higher education in order to qualify for the top and middle ranks of positions in our society.

It is further to be noted that the number of students engaging in graduate studies is increasing at an even greater rate than the undergraduate enrolment levels. University enrolment increased from 86,800 in 1957 to over 141,400 in 1962. The sharpest increases are still to come as the population bulge resulting from the great increase in births in the immediate post-war years is beginning to reach university age level.

Many young people too are having difficulty obtaining employment because of lack of training. Vocational training has been provided by public school boards for many years. The federal and provincial governments have recently been providing vocational training, and very recently the federal government began a crash program in co-operation with the provinces to provide complex training facilities throughout the country.

Before the post-war period the main federal contributions to formal education in this country were in the field of Indian and Eskimo education, and some small grants to the provinces for vocational training. During the post-war period the federal government began to contribute to higher education—I mean by that university and college education—under a scheme to assist war veterans, and capital grants to universities were introduced in the 1950's. Many of us recall, certainly I do, that when we first attended university there were a large number of veterans who had returned from the war and were taking advantage of this grant to aid their education and to receive training at school.

At the university level students are charged an annual fee varying from $200 to $700, depending on the institution they are attending and the faculty they are entering. The cost of textbooks and students' supplies must be added to tuition fees, so that the total education cost imposed very considerable financial burden on many students and their families. Scholarships and fellowships and bursaries help, I submit, offset these costs for many students, but these are not sufficient, and insufficient students are able to take advantage of these scholarships, fellowships and bursaries.

Loans to Students

A survey was made of university and college students enrolled in selected faculties for the academic year 1961-62, which survey was to analyse expenditures and sources of income. This survey showed that for a single male undergraduate living at home the total expenditure during the college year ranged from $1,060 to $1,652 per year. Those not living at home spent between $1,406 and $2,321. Expenditures for single female undergraduates were slightly lower than those for males. Married undergraduate students spent on the average—and it is interesting to note this figure—from $2,758 to $2,929. Male unmarried students at graduate level, therefore, had an average expenditure of $1,598 for those living at home and $2,035 for those living away from home. This is quite a sum of money, Mr. Speaker, when you realize that most of these university undergraduates come from families of low income. Married male graduate students spent on the average $3,968 during the college year.

It is also interesting to observe that in a brief submitted by the Canadian school trustees' association to the royal commission on taxation the following passage appears at pages 30 and 31, with which I agree:

> With the high degree of division of labour and mobility of the labour force which characterizes our society there is a continuous pressure to have education expenditures covered to an increasing extent by the national government. What is required in a federation like Canada is much division of labour among the three levels of government in providing and financing different kinds of education.
>
> We suggest that the local governments be primarily responsible financially for elementary education, assisted wherever required by the provincial governments—
>
> The federal government could assume much of the responsibility for vocational and higher education, in co-operation with the provinces.

The brief further goes on to say:

> A suitable system of student loans or bursaries could be worked out in such a way that no individual with the required capacity would be unable to borrow funds for investing in his own education. The repayments would have to be stretched over a long period of time, perhaps over most of the working life of the individual as in the case of house mortgages. Such a scheme would be superior to the usual scholarship systems which are limited to the relatively few outstanding students and are largely financed from public funds. The loan scheme could be available to all students who could meet entrance and passing requirements and would provide substantial private sources of funds as repayments were made.

These conclusions were arrived at by the Canadian school trustees' association in their

submission to the royal commission on taxation, and it would seem to support 100 per cent the type of student loan program which is now before the house.

This legislation, Mr. Speaker, is no give-away measure. It makes it incumbent on the student to repay money made available to help him and her pass through university or college. It should instil, I submit, a sense of responsibility and at the same time remove the unfair yardstick of making financial means the only criterion for education. Many students have to take jobs to help finance their way through college. Many of us in this house have had to do this, myself included. There is nothing wrong in this during the long summer vacation, but summer jobs today are harder and harder to find for university students. My own experience this past summer has given me evidence of that. Many university students willing to work are finding it more and more difficult to place themselves in jobs and it is becoming more and more difficult to find jobs open. When one speaks to personnel managers who previously set aside a certain number of jobs for university students, the answer he receives is: We have just so many jobs for them; we cannot open any more because we have to make room, and logically so, for these people who are displaced from our industries by automation and technological change. Therefore it is becoming much harder for a university or college student to obtain summer employment, and therefore the student loan program will assist him in this regard. Further, Mr. Speaker, students are forced to do part time work during their semester years, and this can seriously interfere with their studies. Because of this a student may be prevented from producing his or her best results.

I believe the hon. member for Burnaby-Coquitlam (Mr. Douglas) mentioned the fact that more than 30 per cent of the college students from the lower income groups must interrupt their schooling for at least one year to earn tuition money. This is a waste of valuable time and energy. The federal government, with this legislation, can now take a great step forward to alter a state of affairs which has plagued students for so many years.

It is true, as has been said by many speakers on the other side, that this is not a program which will solve all the problems of the students and of the universities. Of course it will not. But it is one step forward toward a solution. We remember the heavy inflow of immigrants in the post-war years, the years immediately after the war. Today the families of these people are of university age; many of them are leaving secondary schools and are eligible for universities and colleges. In many cases their families are not able to put them through courses of higher learning. It is true they can borrow from the banks, and that some of these students will be able to win scholarships and bursaries. However, the great majority would not be able to continue their education, through lack of funds. This legislation will come as a special benefit to them. I know that many people in my own riding will be able to take advantage of this program and send their children to colleges and universities to get a higher level of education than they themselves were able to obtain.

This program is another forward step by the present government, implementing as it does the second of four promises to young Canadians in the field of educational opportunities. The youth allowance bill has been passed. That is one promise which was made and which was carried out. The student loan promise has been made, and we are now about to carry it out. The scholarships program is a promise which I submit will be carried out also. In addition there are the per capita grants to universities which are now being discussed.

Today machines and automated programs are performing an ever increasing number of routine, repetitive tasks, thus reducing job opportunities for untrained workers while at the same time opening up new fields for highly skilled personnel. Studies conducted by the national employment service have clearly demonstrated that there is a distinct relationship between lack of education and unemployment. I think no one with an awareness of the increasing complexity of our labour market and the distinct shift from the unskilled segment of the labour force to semi-skilled, skilled and technical workers as well as professional and managerial workers will question the value to the individual Canadian of a high level of education.

I, too, wish to support the argument put forward by my hon. friend for St. Lawrence-St. George (Mr. Turner) on behalf of part time students attending universities. In my own alma mater of McMaster University there are thousands of night time students taking extension courses. These people work

during the day and the money they earn is set aside to pay for their education. I think it is proper that at some future date after this bill has been passed the government should give consideration to including among those who qualify under this measure these part time students who take these classes, often at considerable sacrifice, to advance their own education, and I suggest the welfare of this country. This principle was recognized in an amendment which was recently made to the Income Tax Act and I submit that these people, as well as full time students, well merit the advantages afforded by this type of student loan program.

Mr. Winkler: Will the hon. member permit a question? Does he not agree that had it not been for the efforts of the Canadian students union itself, goodness knows when we would have had this legislation? Will he not admit that, rather than try to heap glory on his own shoulders and on this incompetent government?

Mr. Macaluso: I am glad the hon. member has asked that question. He should look at the position of his own side. He says, now: We are willing to co-operate; put the legislation before us. But it is interesting to note that the opposition has only adopted this attitude after pressure by the students, by the universities and in the press. It is only now that they are co-operating in this matter. No, we promised this program; we put it forward and we have kept our promise. For four years hon. members opposite did nothing for the students.

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, since the last war, education, and more particularly secondary or higher education, has developed tremendously in this country. In the province of Quebec, there has been an extraordinary effort, especially since 1959-60.

It began with the famous Barrette bills, during the 1959-60 session, and the effort was maintained under the following administrations, so that today, for the first time in Canada's history, the province of Quebec has a larger budget than Ontario with regard to education. The fact is rather extraordinary, considering that the province of Ontario has a million more people than the province of Quebec.

Today, one only has to talk with the young Quebeckers in our respective ridings to discover the craze and enthusiasm of our young people for education, and more particularly for technical education. Everywhere in Quebec, our engineering schools, our technical schools, our institutions of higher learning, our high schools of commerce, and various other scientific schools, are doubling and even trebling their establishments over the years.

We often hear, Mr. Speaker, that there is, at present, a terrific atmosphere, and that all governments should encourage this trend among our young people.

Doubtlessly, such an effort requires considerable sacrifice, financial sacrifice on the part, not only of the provincial governments, but of the institutions themselves and, more particularly and directly, on the part of the parents, because our fellow citizens, whoever they be, all agree that it would be a great tragedy if it should happen, that, in 1964, a talented young man in Canada were financially unable to continue his studies at a university. I am convinced that all people of good will will see to it that such an eventuality does not take place, here, in 1964.

The aim of the legislation before us tonight is to enable some students in our universities to obtain the necessary loans for continuing their studies. To my mind, this legislation will not meet with much opposition on the part of hon. members from the other provinces, except Quebec. On the contrary, I even believe that it will be rather enthusiastically welcomed. But, in the case of the province of Quebec, the situation is somewhat more difficult, because there is a rather delicate constitutional problem involved.

As a matter of fact, the premier of the province of Quebec, Mr. Lesage, made a somewhat violent statement when this question was raised. He even threatened to resort to the courts in order to have the constitutional priority of the province acknowledged in that field.

More recently, we saw with a certain amazement that the students' associations of Laval, Montreal and Sherbrooke Universities, as well as the association of the students of classical colleges and teachers' colleges send to the Minister of Finance a resolution protesting against this intrusion of the federal government in the field of education, which is essentially provincial.

These students, as well as the provincial government, expressed an opinion which is not new and which is that such loans should come from the provincial government.

Loans to Students

I must admit it is with much hesitation I rise tonight to support the bill before us. I do so after having carefully studied the various sections of the bill, for, needless to say, before supporting it, I believe it is my duty to express serious doubts on the constitutional aspect of this document. On the other hand, I am not too surprised to see that this legislation was introduced by a Liberal administration. We have been used, in the past, to see Liberal governments always trying to interfere in the provincial fields: they never missed an opportunity to weigh down the scale in favour of the central government and to enter, with all kinds of flimsy excuses in a field which is not theirs.

No doubt, we all know that section 93 of the British North America Act, makes it crystal clear that education comes under provincial jurisdiction, and not only that education belongs to the provinces, but that they have an exclusive right in that respect.

What does an "exclusive right" mean? It is a right which is our own. An exclusive right is one that lies above an ordinary right and which even transcends a priority right or a relative right. In its own framework, an exclusive right becomes an absolute right.

But rights alone are not enough. There must be means to exercise them. This is undoubtedly where the federal government is keeping on centralizing, where it is following the line it laid down long ago, that is always try to intrude further into fields where it has no jurisdiction whatsoever. But since it holds the purse strings, it can use a little blackmail and reach its goals.

Many people will no doubt find this speech somewhat academic; they will find that these essays on the constitution are not practical enough. Personally, I see very practical applications here. That is why I have serious doubts about the legislation before us.

First of all, the federal government definitely lacks the organization to look after education. From time to time, the federal government introduces into the house enticing pieces of legislation concerning a particular field or a group of citizens; but since it has no department of education, no agency or crown corporation which might supply it with the required information so that it could decide whether or not such and such a step is necessary in a province in order to help education, one is entitled to ask why the government wants to intrude in this field. One is also entitled to wonder if this intrusion by the federal government will bring happy results for the population as a whole.

[Mr. Balcer.]

In brief, the federal government intrudes in this field on the excuse that it has the means to do it, that it is somewhat easier for it to control the field, because it controls the monetary system, and so on. It collects taxes for this purpose and uses its credit for a particular measure intended to help education. This is what it is doing through this bill.

Fortunately, this bill includes an alternative payment formula. I shall give my opinion later on that subject, but I revert to my argument to the effect that the federal government does not really have the organization to look after education, to lay the foundations of the various pieces of legislation concerning education.

Consider the position of the provincial government. There you have a department of education and all the required experts. It is there that budgets and programs are prepared. It is there that the balance sheets of the various institutions are reviewed. It is there that there are meetings with the authorities of the higher education institutions. In short, the provincial government is really equipped to know what are the priorities in the field of education in the province.

That is why one may have misgivings about this bill and wonder—and here I speak as a citizen of the province of Quebec—whether this is what we really need at the present time in the province of Quebec. Is it right for the federal government to pledge its credit to the amount of $40 million in order to offer loans to students? It may be that the most necessary need, the most urgent need is the construction of laboratories, the training of university professors, the establishment of new teachers' colleges, the setting up of new libraries, a change of program, and so forth.

How can we tell? Only the provincial government can. As I said, the federal government is really not in a position to decide. That is why I think the federal government is taking a chance in going into that field. As a matter of fact, the federal government which preceded us, had gone into university grants in an absolutely disastrous way, and it is the province of Quebec which was deprived, for several years, of those amounts of money, simply because the then federal government had no replacement payment formula to enable the provinces to accept university grants.

Fortunately, this legislation, because of the opposition from Quebec, I am sure, provides for a replacement payment formula. I hope

that this formula will give the expected results. In short, I hope that this option system which certainly offers great difficulties from a constitutional point of view, will not place the province of Quebec in an inferiority position or will not completely upset the scholarship program of the provincial government and will not hinder the cause of education in that province.

The option system surely gives rise to great difficulties from a constitutional standpoint. It should not be used by the federal government as a roundabout way to keep on intruding slyly in matters where it has no jurisdiction.

However, as the hon. member for Pontiac-Témiscamingue (Mr. Martineau) explained yesterday, this option formula is not without merits and we should support it instead of simply penalizing a non-participating province.

Those options are conditional payments. They should merely be replaced by unconditional equalization payments. Then, we would not be trampling on the constitution but allowing the people of the various provinces to benefit from those surplus funds the federal government seems to have and the provinces could use that money to promote education.

There is no doubt, as always, that with such priority measures we are venturing into fields of activity where the needs are most pressing, in the education program of a given province, to achieve better results. For my part, I wanted to make that reservation about the constitutional aspect of the measure now before us and I must say that, because of the options provided for under section 12 concerning repayments, well, I shall support the bill while making a strong reservation from a constitutional standpoint.

Mr. Réal Caouette (Villeneuve): Mr. Speaker, the bill now under study is certainly a very important one, since it concerns our Canadian students. This afternoon, the hon. member for Lapointe (Mr. Grégoire) said very appropriately that the bill had a certain object in view and was advocating a certain method, and of course there is quite a difference between the methods used even if the aim to be attained is commendable.

When considering the contents of the bill, it is easy to realize that it does not at all fulfil the promises which the government made to Canadian students. In the first place, loans were to be interest free up to full repayment while the present bill provides just the opposite. A 20-year old student borrowing $1,000 per year during five years, when he will have reached 25, that is when his studies will be completed—or that part for which he will have borrowed up to $5,000—will be starting his career with a $5,000 debt. All the ministers and members will admit that it is quite shameful and discouraging for a 25-year old man to have a $5,000 debt.

Measures have been passed and suggestions have been made in the past to help our young students. Now, this legislation provides that a student who will have obtained a loan up to $5,000 will be compelled, six months after the end of his studies, to begin paying the interest on that loan, since the government will then stop paying it. On the other hand, if he takes five or ten years to repay this $5,000 loan—the minister has not even mentioned the interest rate. It is reported to be 5¾ per cent. Now 5¾ per cent over a ten-year period means that the student will have to repay $7,500 for the $5,000 be obtained.

Mr. Speaker, the essential point is this: let us suppose that the student is 25 when he completes his studies and is unable to find employment for a year or 18 months. Will the government then introduce a bill to help unemployed persons just out of university at the age of 25 and unable to repay those loans?

This afternoon, the Minister of Finance (Mr. Gordon) also stated that we shall have to resort to banks which only lend the deposits entrusted to them. I do not hesitate in the least to say that if the Minister of Finance really means what he asserted this afternoon, namely that banks only lend the depositor's money, he is not competent to hold his present office. The minister is lying not only to members of the house, but to the whole country.

The hon. member for Red Deer (Mr. Thompson) recalled that the former governor of the Bank of Canada, Mr. Graham Towers, stated before the committee on banking and commerce in 1939, that banks cannot lend their depositors' money.

I shall give an example to the Minister of Finance, because being a chartered accountant, he should know all about accounting.

An industrialist goes to a bank to borrow $100,000. The manager asks him if he has any personal collaterals, such as insurance policies, redeemable securities and often asks him to produce his marriage contract, not to take away his wife, but to ascertain if she will become the owner of his properties after

his death. In any case, the manager takes all necessary precautions and finally agrees to make a loan of $100,000. Immediately, he asks him to sign notes, papers, collaterals, etc., covering the amount of $100,000. Then he creates a credit in favour of the borrower for an amount of $100,000, and this is entered into the books. Before the industrialist came to the bank, this $100,000 did not exist in the books. And to prove it, if we add up all the bank accounts that existed before the industrialist went to the bank and add them all up again after he left, the Minister of Finance would see that the bank accounts total $100,000 more than they amounted to before the industrialist went to the bank to obtain a loan.

Where is this amount of $100,000 coming from? Let the Minister of Finance inquire from the Bank of Canada. Let him inquire from the chartered banks of Canada who are authorized to create credit, who not only have the right of creating credit but the exclusive control over credit for the whole Canadian people. Then, we are told that bankers lend the money of their depositors, the money deposited in private accounts. When the loan for $100,000 was made—I see that the Minister of Fisheries finds this very funny, he does not understand anything, but he still finds it funny. People often laugh at this, but they do not know why they are laughing.

Mr. Speaker, the Minister of Finance was not speaking the truth this afternoon when he stated that bankers were lending the money of their depositors. I should like to draw his attention—

An hon. Member: We need the banks.

Mr. Caouette: We are not against the banking system; we object to the faulty control of the bank. I am not, by far, the first to condemn that system. In fact, if my hon. friend, the Minister of Fisheries (Mr. Robichaud) wants to read Pope Pius XI's encyclical *Quadragesimo anno,* he will see that it says that those controlling money and credit are the masters of our lives, including that of the Minister of Fisheries, that they control the economic life of the whole nation and that, without their permission, nobody has the right to breathe.

Mr. Boulanger: Including the Chrysler car dealers.

Mr. Caouette: Including my hon. friend from Mercier, who never shows more intelligence.

But when we criticize that system and when the Minister of Finance asks us to approve this measure, at the risk of getting the next generation into debt, the rising generation which, it seems, is being placed in the hands of a few people who control money and credit in Canada, I wonder whether the Minister of Finance, the members of cabinet and the members of parliament have the right to recommend or to support such a bill?

Why did the Minister of Finance not present Bill C-110 saying: We are going to use the credit of the Bank of Canada; we are going to grant $1,000 a year scholarships to Canadian students, because these young people will be an asset which will help further the development of our country and our natural resources, not by crippling them right from the start, dwarfing them right from the start, lowering them, but by giving them all the necessary leeway so that they may become prominent people and go on to other things rather than having to repay the debts which the Minister of Finance is prepared to let them get into at this time.

Mr. Speaker, I will meet with some opposition. That same thing happened in this house in 1941 and 1942, when two good Liberal members, Messrs. Arthur Slaght and "Gerry" McGeer, were sitting here. At that time those two men asked that the Bank of Canada be used and the then minister of finance, Mr. Ilsley, replied: "If we use the Bank of Canada to create any kind of credit, the chartered banks, under the federal act, have the right to increase immediately 10, 12, 15 and even 20 times the credit granted by the Bank of Canada."

Well, let us amend that act instead of getting generations to come into debt. Therefore, let us amend the Bank of Canada Act and use Canadian credit created by the Bank of Canada, debt and interest free credit, to develop normally our human and natural resources. Actually, it is only a matter of credit to allow students to continue their studies. It is the same thing in all fields but, since we are dealing with Bill No. C-110, we approve of the principle of aid to students but we reject and disapprove of the principle of getting into debt our students, our own children and, as I said a little earlier, the generations to come.

On the other hand, the former minister of transport, the hon. member for Three Rivers (Mr. Balcer), said that the federal government is interfering with education, that it controls its monetary system. In his opinion, the monetary system is the control of taxes. That is all it amounts to. Moreover, he is not too sure that the Canadian government is

right in engaging its credits for $40 million. We do not know, he said, if technical schools, high schools or schools of higher learning are needed. He knew, he did not know; he knows, he does not know.

In short, one is not very well informed, but to be agreeable to the province of Quebec, the federal government must be pulled out of this mess whereas under such circumstances, these are not gifts from the government to Canadian students, but guaranteed loans. However the federal government—

Mr. Gauthier: They are becoming real estate agents.

Mr. Caouette: Mr. Speaker, as my colleague, the hon. member for Roberval rightly pointed out, the federal government is becoming a real state agent, a loan agency and this occurs nowadays in all spheres of the economic field.

Mr. Speaker, as far as education is concerned, the only conceivable solution, which would respect provincial rights as well as individual rights and more particularly the rights of our young people, of our students, would be to make available to provinces credits, established by the Bank of Canada, without interest of any kind, not a kind of education, an indebted education, a kind of education which, in 15 or 20 years hence, will be entirely controlled and dominated by the Canadian chartered banks.

According to the principle of the bill the problem would perhaps not be too thorny this year, but in five years hence we will have five times more students who will have taken advantage of this loan system.

And why will the students take advantage of this loan plan? Because at present, they cannot fulfil their obligations. Therefore, advantage is taken of this and a plan to directly socialize education is proposed which would be controlled by the Canadian government and Canadian finance.

Today, automobiles are finance controlled, furniture is finance controlled; nearly everything is finance controlled, and we will now have finance controlled education for our children. What a beautiful system the present government is setting up in Canada.

Mr. Speaker, we are in favour of loans to students but, as the hon. member for Lapointe (Mr. Grégoire) rightly said this afternoon, not to get our students further into debt, so that five or ten years from now, they will not be able to repay their debts. Then, the federal government would no longer pay the interest; the students would have to pay it six months after completion of their studies.

That is not what the Liberal party promised the students during the 1963 election campaign. Students were promised scholarships and loans without interest. The Liberals did not tell the students they would have to repay the loans six months after having completed their studies. They were then misleading the Canadian students, and particularly the Canadian electorate.

The Liberal government hopes to get out of it like that, but I am convinced it will not. We will not allow future generations to get into debt as the government is now advocating. It is time the Minister of Finance stops telling us that Canadian chartered banks are merely lending the money of depositors. He should get information about that; otherwise, I will have to conclude that he knows nothing about the Canadian monetary system. When we know something about it, we are aware of other means than the one he is suggesting to assist the Canadian students, as the provinces do. Let us use the Bank of Canada. Let the Minister of Finance be convinced and let him use the Bank of Canada to establish new credit for our children's studies. And when the time of the reimbursement, without interest, will come, then we will be able to tell the government of Canada that he has helped the future generations. But, in the meantime, these are still only poultices on wooden legs applied by the government under this Bill C-110 now under study.

Mr. Jean Chrétien (St. Maurice-Laflèche): Mr. Speaker, I should like, first of all, to pay tribute to Mr. J. A. Richard, a former member of parliament for St. Maurice-Laflèche, who died this morning.

Born in a poor section of the province, at St. Grégoire, and forced to leave school at an early age to earn a living, he built up, by dint of hard work, a going concern in Shawinigan and served his municipality as school trustee and alderman, and was active in charitable organizations.

At an age where most people think of retiring and living comfortably on their private income, Mr. Richard agreed, at 62 years, to run in the general election of 1949 and he remained in the public service until June 1962 as member for the constituency I am now representing.

His friends from St. Maurice-Laflèche and his colleagues in the House of Commons remember him as a hard working, honest, devoted and sincere person. May he get his well deserved reward.

During the present session of the legislature, the province of Quebec gave itself a department of education. A man decided to provide his fellow citizens with the instrument they most sorely needed to ensure the fulfilment of the French language, an adequate educational system. That man was Paul Gérin-Lajoie. He succeeded in convincing the people of Quebec that, as far as economic standards are concerned, the only way to catch up with their most important neighbours, the United States and Ontario, was to train competent people who could play their respective roles in the community. And now, I feel it is my duty to say to the whole of Canada that thanks to that dynamic action in the field of education, Quebec and French Canada are preparing themselves for the mission which is entrusted to them in this country. We no longer want to be silent partners in the economic expansion of Canada; we want to be in the van. At present, Quebec is investing more in its human resources than Ontario whose population is larger by one million. "Operation education" has been launched. Quebec is on the march and we are proud of it.

For us, Quebeckers, education is the field where we are most concerned about our prerogatives and, under no circumstances will we tolerate any intrusion in that sector. The survival and emancipation of French Canada depend on education, and we will fight for our rights in this regard to the last ditch. If we want to survive, we must be intolerant in this matter.

This being said, we must recognize that the bill concerning student loans brings into confrontation the jurisdictions of two different governments. The federal government is responsible for credit control, but education falls under the exclusive jurisdiction of the provinces.

I hope that nobody will deny that education is exclusively a provincial matter. Anyone questioning that would get one biting answer from all hon. members of the province of Quebec, regardless of their political affiliation.

In all fairness, we must also recognize that, in the past, the federal government enacted legislation in many fields to provide credit

for citizens in all parts of Canada. I will mention just a few: small businesses loans; farm loans; Central Mortgage and Housing Corporation loans; loans to municipalities; loans to fishermen; university grants and assistance to technical training.

Now, the government is well aware of the problem that comes up in this legislation, that is the possible conflict between two different jurisdictions. Having understood that difficulty, it has prepared its bill so as to remedy that problem.

In the past, when the federal government grappled with any legislative problem, it did so without any or with very little regard for the opinion of the provinces in a given field. The central government used to take a rather lofty attitude which was likely to set public opinion against it.

Now, with reference to Bill No. C-110, the government first wanted to know the views of the provinces at the last federal-provincial conference, and the Minister of Finance pointed out this afternoon that several provinces—and I say several, because too many people think only of Quebec—informed the federal government that this came within their jurisdiction and they would not tolerate any unwarranted intrusion by the federal government. However, the federal government obviously had to enact legislation on behalf of those provinces which were anxious to provide their students with the necessary funds to continue their studies but which were unable to do so because of the large size of their population, their financial position or various other reasons. Once the provinces had expressed their views on the project submitted by the federal government, the Minister of Finance prepared a bill in accordance with the two following principles which are of the utmost importance:

(a) education comes under the provinces while credit is a matter of federal jurisdiction;

(b) the recognition of the contracting out formula under which a province may withdraw from the scheme without sustaining any financial loss.

The first principle—provincial jurisdiction in matters pertaining to education—is clearly recognized in section 10 of the bill which states:

—the appropriate authority for a province may issue or cause to be issued a certificate of eligibility.

In addition, paragraph (b) of section 2 gives the following definition:

"Appropriate authority" for a province means such person, body or authority as may be designated by the lieutenant governor in council of that province as the appropriate authority for that province for the purposes of this act.

Accordingly, it will always be the provinces which will designate the students eligible under this legislation. Consequently, it is quite clear that the federal government does not infringe upon the field of education since control of the scheme will rest in the hands of the body chosen by the province and the latter will always be free to entrust its department of education with the administration of the program. Furthermore, in order to cover any province which is not convinced that it is in its interest to take part in this plan, the government has included in the resolution a second principle, mentioned above, namely: the possibility for a province to contract out and to receive in return an equalization payment; this illustrates the new philosophy of co-operative federalism.

As a matter of fact, section 12 of Bill No. C-110 specifies that a province that will not participate in the program will get an amount per student equal to the cost the federal government pays in all the other provinces.

I think this is a major change in the attitude of federal legislators to such an extent as to improve understanding in this country.

That being said, what must Quebec do in view of this situation? First of all, it is important to state that the effort made by Quebec in the field of education must be continued without faltering. But you must not forget a principle brought forward by the party I represent which, at the provincial level, was saying in 1960 that not one student in Quebec should abandon his studies because of financial difficulties.

That is why I would urge the province of Quebec to give serious consideration to this bill, so that it can benefit thereby to the fullest extent possible.

However, there is a point which I find important and which I consider to be a victory for a group of members of my party who have been advocating this for months. I refer to the fact that it is entirely up to the province to decide whether or not to take part in this program. That decision is left to the province. No province is obliged to participate. I think such a change of attitude should make my fellow citizens in the province of Quebec very happy.

Only two years ago, such a provision in federal legislation would not even have been considered possible.

It is by putting up a positive and intelligent fight that Quebec will succeed, and not by resorting to demagogy and irresponsibility.

At the federal-provincial conference other provinces raised objections to the bill now before us. However, I was glad to learn this afternoon, from the Minister of Finance himself, that, now that they have been informed of the formulas advocated by the present government, some provinces would be ready to reconsider their positions.

If my province, after having considered the bill in every detail, does not consider it constitutionally objectionable as an impingement on exclusive provincial jurisdiction in matters of education, I hope that the students of my province, like other students in this country, will be able to benefit by this formula.

I think, if our governments could agree on this project, that Canadian unity would immediately benefit. If there were uniform opportunities, while maintaining the unquestionable prerogatives of the provinces, some English speaking students who do not reside in the province of Quebec would be able to go there to study and get a better knowledge of the French element in Canada. I think there would be a considerable advantage in uniformity, as there would be an advantage to French speaking students who would want to study in another province to acquire a culture which suits them.

I submit that this bill is something new. It is a historic bill, because, for the first time we have a piece of legislation containing all the provisions needed to help the provinces fully avail themselves of their autonomy, while permitting the application throughout Canada of a policy which would be of great service to the people.

I am not afraid to say that there is no political impingement in the educational field by the federal government at this time, because the final decision, according to the provisions of this bill, is not in the hands of the federal, but of the provincial governments.

I hope that the Canadian provinces will try to make use of this plan as we must not indulge in vain constitutional conflicts either on poverty or on education.

What we want is to give Canadian citizens the greatest opportunities we can so that our country will be a united country where every

citizen will be in a position to achieve the objective he has in mind without being deprived of education.

[*Text*]

Mr. Reg Cantelon (Kindersley): Mr. Speaker, I should like at the outset to express my basic approval for the principle of this bill. However I do not entirely agree with the Minister of Finance (Mr. Gordon) that this is an absolutely perfect bill, as I hope to point out. I do not feel that this bill interferes with provincial rights in education. In this respect I agree with the hon. member for St. Lawrence-St. George (Mr. Turner), who feels the same way. Consequently I am rather disappointed that the hon. member for Lapointe (Mr. Grégoire) calls this legislation an invasion of the rights of the provinces. His highly coloured and emotional remarks are hardly conducive to a rational solution of the constitutional problem, if there is one and, what to me and many more is more important, to a solution of the pressing monetary needs of our students and of education generally. His comments were in marked contrast to the rational and informative address of the hon. member for Three Rivers (Mr. Balcer), who is as interested in the problems of the province of Quebec as any member in this chamber. I could be influenced by his arguments though quite unmoved by those of the hon. member for Lapointe.

I should like to read a short portion of a report published in the Regina *Star-Phoenix* for July 11, 1964. The hon. member for Lapointe made reference to this article, of which the report in the *Star-Pheonix* is a translation in English:

> "The French Canadian students feel that such measure, although worthy of praise, is in complete opposition to their desires for a more autonomous provincial government", they said in a press release.
>
> The student groups are association générale des étudiants des universités de Laval, Montréal, Sherbrooke; fédération des normaliens du Québec, and fédération des associations générales des étudiants des collèges classiques du Québec.

All these organizations apparently feel that provincial rights have been invaded by this legislation. I must confess I find this impossible to believe, and impossible to feel either. I am quite sure also that most other student groups in the dominion would not support such objection.

The money which is provided by this bill will be given to the provinces that ask for it, rather than to the students. As an examination of the bill discloses, the provinces may continue their own scheme and get a rebate, one might call it; or they may introduce a scheme as proposed in the bill. So that a province has the right of choice, and not only a right of choice but complete control. If this is an invasion of provincial rights, I fail to see it.

It is thus difficult to see where interference with the constitutional rights of the provinces in regard to education occurs. If the provinces are already making loans to students, the provision of this aid will free those provinces from the demands they make on their own treasuries and enable them to use the amounts so saved for any other purpose they wish. If the province is not assisting high school graduates in this way to go on to university, then I feel it should be. I say this not only in light of the benefit this will provide to a student personally, because his income will be, on the average, several times what he would earn as a high school graduate, but because his contribution to the welfare of the state is also greatly enhanced. He will not be one of the unemployed in the future and will therefore not become a charge on his fellow citizens. He will undoubtedly pay higher taxes as a result of the increased income which he will be able to earn. He may even vote more intelligently. He will help to produce a high degree of industrialization, which characterizes the modern state with a high standard of living. Therefore we on our part are exhibiting an intelligent selfishness in introducing this legislation.

The tremendous increase in educational expenses which is occurring and which will continue to increase is placing very heavy strains on municipal and provincial finances. The Canadian school trustees have brought this matter to our attention and to the attention of the government in their submission to the royal commission on taxation. According to the *Western Producer* for November 7, 1963, the following statement was made in their submission:

> The trustees said "education currently takes 16 per cent of all government revenues, compared to 8 per cent 15 years ago."

This is remarkable when we consider what great increases there have been in all government revenue. Still, the increase has doubled. They went on to point out that it is very unlikely the mounting cost will abate. We are all coming to realize the tremendous value of a highly educated people and I think we are prepared to pay the costs. Unfortunately, the provinces and municipalities are finding that their sources of revenue

based on direct taxation, especially land taxes, are not producing at the accelerated rate needed to keep up with their expenditures on education. This is the root of all the difficulty in taxation.

Again may I refer to the same article I quoted from a moment ago, the article in the *Western Producer* on November 7. It states:

> The trustees said that between 1951 and 1961 costs of formal education rose to $1,800 million—and accounted for 4.9 per cent of the nation's gross national product—from $561 million.

I suppose this refers to the 1951 cost although it does not say so in so many words. The article continues:

> Expenditure on formal education is still increasing rapidly and in 1963 it is expected to exceed $2,300 million, considerably above 5 per cent of the gross national product. By 1971 we expect the ratio to be well above 6 per cent of the gross national product and by 1981 it is likely to exceed 7 per cent.

They went on to point out that in their opinion the limits on taxation, from local sources had been reached and that the nation as a whole must find ways to assist the provinces to carry the load. Further on in the same article, it says:

> The trustees warned, however, that the limit has been reached. They suggested a local maximum taxation rate equivalent to 2.0 per cent of the gross national product and a provincial contribution not exceeding 2.5 per cent of the gross national product.
>
> They pointed out that if their projections are realized these two sources will not be sufficient. The federal government, which currently spends less than 0.5 per cent of the gross national product on education, would have to take up the slack.
>
> It would, in fact, have to contribute an amount equal to 2.1 per cent of the gross national product by 1981 if the forecast expenditures on education of 7.2 per cent of the gross national product are accurate.

It is thus clear to all of us that federal aid to education within the framework of the constitution is necessary and, I maintain, desirable. There was a time some years ago when I felt as did most teachers who were executive members of provincial organizations in the west that direct educational aid was necessary. I now question that position, but not the need for more money for education. The provinces and the municipalities cannot carry the load and the only way that seems fully to meet the need is for the federal treasury to provide more funds without any strings attached as to their use so as to escape from the constitutional straitjacket. If this is done, the provinces can do the job required.

Loans to Students

On Thursday, July 9, the Leader of the Opposition (Mr. Diefenbaker) proposed a federal-provincial conference which would give extended and intensive study to fiscal problems. I am sure that if this were done and if more money were provided to the provinces most of our difficulties as to the financing of education would disappear. As the Leader of the Opposition put it today, this legislation for student loans is just a stopgap. The hon. member for Digby-Annapolis-Kings (Mr. Nowlan) gave an extremely comprehensive and detailed explanation to point out what university needs are today and what they were likely to be in the future. I hardly think it is worth while my continuing to stress this point.

As I mentioned earlier, there are provinces which have been assisting students to go on to universities. My previous comments are, I think, quite proper since the bill before us will relieve such provinces of a portion of their educational expenditure which they can then devote to other educational uses. My own province of Saskatchewan has had a student aid fund since 1953. Its government has provided a basic fund of $1 million from which loans were made to any student wishing to attend teachers' college, the school of nursing or the provincial university. Later on, in 1962, the fund had another $2 million added to it from the school land fund. I regret I do not have the regulations with me but if my memory is correct there is never any interest charged on loans until a student is in default, so he may never have to pay any interest on the loan. It is also noteworthy that the loan is handled by the province and is not, in fact, a bank loan. I am sure the students of Saskatchewan—and, I think the present government there—would prefer to see the provincial student aid fund continued, the province to be compensated from the federal treasury. In my view, assistance to the student is more generous under the provincial measure and practically as easy on the public purse. Other provinces, two of which I know, particularly Alberta, have student assistance loans acts. Alberta introduced one in 1959 and Quebec in the same year under the title: "An act to facilitate access to higher studies".

The minister said in his opening remarks that all the provinces with one exception had some scheme of student loans. In addition to these there are a number of private plans. To me, this is conclusive evidence of public appreciation of the need for assistance in this field. I feel I need say little about the advantages to the student of this loan fund.

The minister has detailed them very well. But I join with the leader of the New Democratic party (Mr. Douglas) in saying that the number of loans which the minister believes will be granted are almost certain to fall far short of the number which should be granted if our country is to educate all those who are capable of being educated.

Most of us on this side of the chamber are certain this legislation should not have preceded the granting of the 10,000 scholarships proposed by the minister of northern affairs (Mr. Laing) a year ago last March, but should have followed the introduction of legislation to implement that promise. We wonder whether this is just another cute trick to avoid carrying out an election promise. As a teacher friend of mine, a rather shrewd person, said—and he is not a Liberal—there is a fear that this new lending program may get in the way of an adequate bursary program. This would certainly be a most undesirable thing to happen.

This, then, is a desirable step but it is not perfect, as my hon. friend from Digby-Annapolis-Kings so ably demonstrated in his informative and constructive address. It is not the answer to the real problem of the doubling and redoubling of the university population. We should continue to search for solutions to this pressing problem—solutions which are made even more difficult to find by the need to avoid interference with provincial rights in the field of education.

Mr. M. J. Moreau (York-Scarborough): Mr. Speaker, I wish to make a few remarks on the bill now before us. First I should like to say how strongly I support this type of legislation. I am one of those who believe that the only limiting factors in an industrial society such as Canada's in furthering one's education should be the individual's own ability, capacity and application. This legislation seems to me to go a long way toward equalization of opportunity for our youth. I would expect it would receive ready support from all members of the house, particularly from the hon. member for Northwest Territories (Mr. Rhéaume) who spoke so strongly last night in favour of equalizing opportunities in Canada. I would hope the official opposition would not oppose such an equalization measure, as they did the Family Allowances Act.

I am also one of those who found it necessary to skimp, to save and to borrow in order to get through university. While worry and privation may possibly contribute to self-reliance, we should not delude ourselves into thinking that many students can be successful in this way. It only takes a very short illness, a month without a job or some other unforeseen circumstance to place the dream of a university education completely out of reach of the student who is trying to make it entirely on his own. With rising tuition fees and living costs, I doubt that it is possible to work one's way through college nowadays, particularly if the student is taking an engineering course, an applied science course or if he is in medical school or any of the many other fields that require 35 to 40 hours of lectures and laboratory work a week, in addition to studying and preparing the reports that the student is required to submit.

I believe that the students of Canada are only asking for an opportunity, not a subsidy, and in my view this plan will go a long way toward solving a growing national problem. I want to remind hon. members, however, that this loan plan is not an end in itself but should really be regarded as only a beginning, a first step, if you will. I want to urge the provincial authorities to give top priority to the provision of more university facilities for our growing student population. This legislation will make it possible for more students in our society to attend university, and we are already faced with the problem of overcrowded facilities in most provinces. In my opinion this is a problem which is reaching crisis proportions and I would urge the federal and provincial governments to give it top priority.

We also have a critical shortage of trained university staffs and we must deal with this urgent problem which threatens to limit all our efforts in this field. We are currently spending thousands of dollars to train young people, only to lose them to the United States because of the limited opportunities for research and the lower salaries which are paid in Canada. We provide our youth with free public and secondary school education. We support them through state supported universities. We support them through scholarships, and now we are going to support them through loans so that in many cases they can find better jobs and opportunities in the United States.

In view of the technological changes facing our North American society, the revolution in which we are now involved and the need for trained and skilled minds in such a changing society, in view of the shortage of staff and of facilities, the lack of research opportunities and the difference in pay scales between Canada and United States, I urge the

government to convene a conference with the provincial authorities forthwith, or at least to place this matter very high on the agenda of the next federal-provincial conference in order to tackle what I consider to be a problem of national concern.

One aspect of this legislation is that it may help to solve another very serious and related need in our technological society. I refer to the low incidence of postgraduate students at Canadian universities. I should like to quote from an article which appeared in the *Globe and Mail* in early February of this year. It deals with a brief submitted by the Ontario council of university faculty associations to the provincial government outlining the seriousness of the problem. The article reads in part as follows:

> Of the many points of powerful argument made in the excellent brief of the Ontario council of university faculty associations presented to the government several weeks ago, not the least is the story of the deficiency of Ontario and, indeed, of Canadian universities in graduate education. University education has two facets which are not always recognized by the public—undergraduate study and postgraduate study.

Later the article goes on to state:

> It is from this latter group that professors and other university teachers are ordinarily obtained, and also the top scientists and research staff used in industry. University education is generally considered impossible without these highly qualified people—
>
> The ratio of graduate to undergraduate students in Canadian universities is ridiculously lower than in universities of similar national importance in the United States. For instance, Harvard has about 60 per cent of its students in graduate work—The university of Chicago has about 68 per cent; Columbia about 60 per cent; Yale and Princeton, 50 per cent; University of Michigan, 35 per cent; University of California, about 30 per cent.
>
> By comparison, (the latest figures from the dominion bureau of statistics are for 1961-62), the University of British Columbia has a ratio of about 6.8 per cent graduate students; Alberta, 6.3 per cent; Saskatchewan, 4.4 per cent; Queen's 9.1 per cent; McGill, 12.3 per cent; Western Ontario, 13 per cent; and the University of Toronto, about 9.3 per cent—

The article continues:

> We cannot hope for very much from the other provincial universities in Canada—the biggest outside Ontario, the University of British Columbia, had its provincial grant heavily cut by the Social Credit government last year—and it can be seen from the above figures that the production of university professor material is on a low level in the others.
>
> If we are to produce the staffs we are going to need for the universities in Ontario, which are expected to triple in size of enrolment in less than 10 years, we shall have to invest very heavily indeed in graduate schools of all kinds. This need is probably more urgent than any other phase of the university crisis.

Loans to Students

> The approach of this crisis was made known to the Ontario government 10 years ago, but it did nothing about it when there was still time. About a year ago, Premier John Robarts set up a scheme for fellowships for advanced study by graduates of Ontario universities, and provided a modest capital sum for planning further facilities. It is necessary to enlarge these funds substantially. The difficulties of the situation ought not to paralyse action.

I believe, Mr. Speaker, that this brief really points out a national problem, one which merits the attention of all levels of government and certainly of all members of this house. I believe this legislation is a significant step because it can be used not only by the student who needs assistance during his undergraduate years but the student who wishes to take postgraduate work. It can be used by the student who feels he has been a burden to his parents long enough and feels he should begin to pay his own way. He will now be able to apply for a loan under this plan to continue his education.

In my opinion, there is also perhaps the further need for an incentive to encourage the student to take postgraduate training after four years or more of toil with no income. Once having gotten him through a postgraduate course, either here in Canada or in a university in the United States, there must be some means also for encouraging him to return from the United States. It was with this in mind, Mr. Speaker, that I placed a motion on the order paper on February 27, motion No. 38 which calls for the granting of a tax free period to the successful student for each year spent in accredited postgraduate study. This would provide an incentive to our trained people by way of an opportunity to recapture the costs incurred in these studies.

A further result of this scheme, Mr. Speaker, would be to keep highly trained minds at home, or alternatively to bring back to Canada students who are Canadians and who are doing postgraduate work at universities in the United States. They would return to Canada in order to benefit from this tax concession. In support of this idea, I would remind hon. members that it has been estimated that it costs approximately $50,000 to train a Ph.D., and most of this money comes from public funds. I also feel that the period during which we are likely to suffer the greatest loss of trained minds is in the period immediately following graduation, when the student has not incurred any family obligations. He has not earned any seniority or pension benefits with

a company. He has not earned any promotions with a Canadian company. He is therefore very susceptible to the higher starting salaries and to the higher grants given to research in the United States. I therefore urge that the Minister of Finance (Mr. Gordon) consider this suggestion of mine. I hope that we might see it in our next budget. I think it would play a very significant role in keeping these highly trained minds in which we have a tremendous investment of public funds here in Canada, in order that they may contribute what they can to our economic development.

Now, Mr. Speaker, the same factors apply in the academic world. Certainly, the need for university professors, the need for trained people in our universities, would also be helped by such a measure. I should like to place on the record some of the views regarding this very serious strain of our human resources which have been appearing in our newspapers in recent months. I have here an editorial which appeared in the *Globe and Mail* from which I should like to quote:

> A disturbingly large number of these Canadians who move to the states have obtained costly education and training here. The House of Commons was informed this week that in the 12 month period ending last June, a total of 1,583 highly trained persons—mainly engineers, but including scientists, university teachers, physicians and surgeons—left Canada for the United States. For the previous year, the figure was 1,295; and for the year before, 1,270.

I should like to quote from the *Globe and Mail* for Tuesday, April 21, 1964:

> The brain drain of Canadian university professors to the United States was blamed here yesterday for contributing to a shortage of specialized international study courses in Canadian universities.
>
> Dr. J. F. Leddy, a professor at the university of Saskatchewan, told a special meeting of the national conference of Canadian universities and colleges—

There is more in this article and I could go on, but I have already quoted from the brief of the Ontario council of faculties of Canadian universities, indicating the need for a threefold increase in university staffs in the next ten years.

I was interested also in reading an article in the New York *Times* commenting on the furore in Britain over this same problem, which by contrast with our own on a per capita basis is really very minimal. Mr. Wilson, the leader of the Labour party devoted a major political broadcast to this exodus of political scientists. He is reported as follows:

> He scored the "miserably inadequate provisions by the government of research facilities" and said that even when a British scientist scored a breakthrough "it is left to American or other business firms to build the industry that this British discovery made possible."
>
> Mr. Wilson said about 140 Ph.D.'s were leaving Britain every year permanently, a lot of them for the United States. He said this was nearly one in eight of Britain's yearly output of highly qualified scientists—
>
> Government officials, smarting under the criticism, are suggesting that Prime Minister Sir Alec Douglas-Home will raise the issue with President Lyndon Johnson when they meet in Washington.

I think the New York *Times* comment was indicative of the seriousness with which this problem is regarded in Britain. Certainly, the problem in Britain is really insignificant compared to the per capita problem we have here in Canada. I would strongly urge that the federal government and provincial governments take note of this serious problem which I feel is limiting Canada's ability to compete in this highly industrialized and complex world.

I would ask the Minister of Finance to look seriously at the notice of motion currently on the order paper in order to determine if it could not be used as a further means of attacking a problem of national significance.

I commend the government for moving quickly on this loan legislation. I suggest a further step could be taken, perhaps in the next budget, by the adoption of my motion. I strongly urge that a conference be held with the provinces concerning university facilities. This latter problem must be given priority, even ahead of student scholarships, of which the opposition has been making much. I feel this problem of the facilities which we are able to provide for the greater student population is a much more urgent one and one which requires the full attention of all levels of government. I would ask the Minister of Finance strongly to urge the cabinet that this be placed as one of the top priority items for the next federal-provincial conference. I suggest, Mr. Speaker, that this whole problem of advanced education is becoming such an urgent one that our next step must be planned very carefully indeed, and in my own mind I feel that the problems of the facilities and the staff are much more urgent than anything else.

[*Translation*]

Mr. Rémi Paul (Berthier-Maskinongé-Delanaudière): Mr. Speaker, considering the requirements of modern science and the need for higher education which our young people must have today, the government takes this

pretext for introducing legislation which, at first sight, may have a great appeal, which may be understandable, for the majority of hon. members, but which, in my humble opinion, is quite unacceptable to the province of Quebec. And I propose to give hon. members the legal grounds.

The end does not justify the means. When introducing this legislation, the government cannot, ostensibly due to the magnitude and complexity of the problem, make a constitutional issue out of it, when education is under exclusive provincial jurisdiction under the British North America Act.

Today, federal-provincial relations are reaching a dramatic turning point in Canada, in the fields of taxation and of responsibilities. A conference should be held to decide whether we must come back to the federal system, with the sharing of powers and responsibilities, or whether we should continue, by all possible means, to realize a unitarian system which will assume all responsibilities, absorb the majority of the taxation fields and act as a distributing clearing house, whereas the provinces will become vassals or branches of this unitarian system, the policies of which will be dictated by the central government under the guise of national importance, national scale or national standardization.

It is interesting to hear discussions about co-operative federalism. Since our hon. friends came to power, they have been trying to find a camouflage for their centralizing feelings which always characterized Liberal administrations under the King and St. Laurent governments.

Later on, in my remarks, I intend to deal with that problem, referring especially to the problem of the setting up of assistance or grants to universities and legislation which was brought forward in 1951, while Hon. Mr. Cass, said: If we push assistance to universities too far, there will be a subsequent necessity for the federal government to go into the field of elementary and secondary education.

There is no doubt whatsoever that co-operative federalism is used as a smoke screen by our Liberal friends. It is a new formula, as during the last war, when the new phrase had been coined—people spoke no more of conscription, but of mobilization. Today, we speak no more of centralization, but of co-operative federalism.

Canadian federalism is a system of association between independent governments, that is the governments which practise it are co-ordinated but not subordinated to each other. However, under such a system of association, these governments co-operate in the common duties, such as mentioned in article 95 of the constitution, with respect to immigration and agriculture. These governments must respect each other's exclusive rights.

Under such an association system, the same governments know they cannot do indirectly what the constitution forbids them to do directly. As a matter of fact, the privy council in London gave a decision on that point, as well as the supreme court.

The federal government is now trying indirectly to intrude in a matter directly under provincial jurisdiction, that is, education. Through the legislation now before us it is trying to do indirectly what it is prevented directly by the constitution.

Indeed, that principle of Canadian federalism has been recognized and approved many times by judgments of the privy council in London. I am sure the Minister of Justice (Mr. Favreau), the Liberal leader for Quebec, who has held high administrative posts, had the opportunity to read those judgments, and especially the Great West Saddlery case (1921), the Edwards case (1930), the Aeronautics case (1932) and also the unemployment insurance case (1937).

May I call it half past ten?

[*Text*]

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader about the business for the rest of the week?

Mr. Favreau: As the first item of business tomorrow we will carry on with the debate on the second reading and with the committee stage of the student loans bill, and then we will take the second reading and committee stage of the bill relating to the federal-provincial fiscal arrangements. After that we will deal with the third readings of these two bills and we will spend Friday on main estimates. First we will discuss the estimates of the Post Office Department, after which the estimates of the Department of Public Works will be dealt with, followed by the estimates of the Department of Northern Affairs and National Resources.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, at the outset of today's sitting, I put a question—I regret that the Minister of Finance (Mr. Gordon) is leaving—but I am sure that his parliamentary secretary (Mr. Pennell) will give me an answer.

I directed a very significant question to the Minister of Finance as follows:

> What measures does the minister intend to take in order to stop the rise in the cost of living, since Montreal has already recorded the highest rise?

The city of Montreal is among the ten metropolitan areas covered by the dominion bureau of statistics the one which has recorded the highest increase in the cost of living from May to June 1964.

In fact, the increase in Montreal was 0.9, the index rising from 134.3 to 135.2 while in Toronto it was only 0.7; however, it must be pointed out that in the latter, the index is the highest one in Canada, that is 137.1 compared with 136.4 last May.

Mr. Speaker, the main Canadian cities, especially the city of Montreal, have to face a serious problem on account of the cost of living index which is constantly rising, especially since this government has assumed office. It must be borne in mind that from an economic point of view an emergency situation prevails in Montreal. It has 55,000 unemployed and 25 per cent of its workers do not earn enough to provide an adequate standard of living for their families.

How can heads of families in cities such as Montreal overcome their difficulties if the cost of living keeps on rising? And the same situation is true in every Canadian city.

I would be very happy to know what the Minister of Finance intends to do to stabilize the cost of living and check further increases because there will come a time when the situation will become unbearable for the Canadian worker. I should like to know what the government intends to do to remedy such a catastrophic situation.

[*Text*]

Mr. L. T. Pennell (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I can quite understand the hon. member raising this very important question of the rising cost of living index. I notice that he brought to our attention the fact that the largest increase had occurred in the city of Montreal. Of course I should point out to him that this situation fluctuates from city to city, so that while in the period of May and June the city of Montreal may have been the city that had the largest increase, it does not necessarily follow, of course, that the cost of living index will be constantly rising at a higher rate in the city of Montreal than elsewhere.

The movement of consumer prices in Canada over the past year has been moderate and in line with the experience of the past few years. Over the past year, prices have risen about 2 per cent, about the same rate of increase that was experienced during the previous three or four years. Not all kinds of prices have risen at this rate. Services, particularly medical costs and automobile insurance, have risen more—by some 2.4 per cent. Prices of durable goods, such as appliances, are actually lower now than they were a year ago.

It is worth noting that the rise in prices in Canada has been only fractionally higher than it was in the United States. It is well below the price rises which have been occurring in most European countries and Japan. I noted that the hon. member quoted the *Financial Times*, I believe, as a source of his information, and I am sure he will agree that it is only proper that I should reply in kind. Only last week—that is, on July 13—the *Financial Times* of Canada had this to say:

> Routine monthly reporting of changes in Canada's consumer price index repeatedly brings newspaper headlines of "new record highs". But it does not follow that the cost of living is skyrocketing every time the index moves up—
>
> The longer-range trend of consumer prices remains remarkably stable. The June index was 1.9 per cent above June, 1963, but the increase in ten months since August has been only 1 per cent.
>
> This is well in line with the average annual increase of 2 per cent experienced in recent years. It is also significant that industrial wages and salaries have been increasing at a steadily faster rate than consumer prices. The industrial wage index stood at 200.8 at May 1, (1949=100), compared with 198.5 a month earlier and 194.4 a year earlier.
>
> The total wage index has thus risen 100 per cent since 1949, for an average annual gain of 6.6 per

cent while the consumer price index has increased only 35 per cent, or just over 2 per cent per year.

I might say, Mr. Speaker, that the rise was largely due to seasonal factors mainly in the food index. I think this fell rather heavily, of course, on—

Mr. Deputy Speaker: Order. I am sorry to interrupt the parliamentary secretary, but I must advise him that his time has expired.

Motion agreed to and the house adjourned at 10.38 p.m.

HOUSE OF COMMONS

Wednesday, July 15, 1964

The house met at 2 p.m.

AGRICULTURE

PROPOSED NATION-WIDE TOUR BY HOUSE COMMITTEE

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, a few weeks ago I announced plans for a coast to coast tour by the house committee on agriculture. We have worked out a tentative itinerary which will take the committee into every province over a two week period. We had hoped to be able to organize this tour for early August, but I wish to inform the house now that this has not been possible, for several reasons. In the first place, we have been unable to charter a suitable aircraft during August for the two week period we estimate the tour will take. Another obstacle to having the tour during August is the problem of booking accommodation for such a large group at the height of the tourist season. We also thought committee members might find the weather rather unpleasantly hot for the kind of intensive itinerary, including long bus rides through the countryside, at this time of year. For all these reasons we have decided to postpone the tour for a few weeks.

A suitable aircraft is available for late September and early October, and we now expect to take the committee on this tour of the country at that time to see our farm problems as they really are, the better, we hope, to deal with them in parliament in the future.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

COST OF PENSIONS AT 65 AND 70

Question No. 824—**Mr. Caouette:**

1. According to government actuaries, how many persons in Canada will have reached 65 years of age by January 1, 1965?
2. How many will have reached 70 years of age?
3. What amount would the government have to pay, on that same date, in order to give everyone a pension of $100 a month (a) at age 65 (b) at age 70?
4. What amount would the government have to pay, starting on January 1, 1965, in order to give everyone a pension of $150 a month (a) at age 65 (b) at age 70?
5. By what percentage would income tax and corporation taxes have to be increased in order to cover these expenditures each year?
6. What amount of income tax would a person earning $5,000 a year, married and with two children have to pay in order to cover expenditures under parts 3 and 4 above?

[*Translation*]

Answer: 1, 2, 3 and 4. Based on a set of projections of the 1961 census population developed last year in connection with actuarial studies on the Canada pension plan, as described in the actuarial report dated August 30, 1963, and tabled in parliament on October 15, 1963, the chief actuary of the department of insurance has estimated that on January 1, 1965, there would be in Canada 1,469,000 persons aged 65 or over and 960,000 persons aged 70 or over. He has also estimated that, for the calendar year 1965, it would cost $1,822 million to pay $100 per month to persons aged 65 or over in that year, $1,190 million to pay $100 per month to persons aged 70 or over, $2,733 million to pay $150 per month to persons aged 65 or over and $1,785 million to pay $150 per month to persons aged 70 or over. These costs, based on the aforementioned set of population projections, were adjusted to take account of past and anticipated future experience under the old age security program.

5. In order to raise an amount of revenue equal to the amount by which the above estimated costs exceed the expenditures forecast for the present old age security pensions the budgetary revenue from income tax on individuals and corporations combined would have to be increased by approximately the following percentages:

For pensions of $100 per month payable at age 65, 27 per cent; for pensions of $100 per month payable at age 70, 9 per cent; for pensions of $150 per month payable at age 65, 53 per cent; for pensions of $150 per month payable at age 70, 26 per cent.

Increases of this magnitude in present rates of tax would in some cases be impractical. For example, if the present top rate of personal income tax, which is 80 per cent before provincial abatement, were increased by 27 per cent it would become 101.6 per cent. If the present corporation income tax rate of 47 per cent before provincial abatement were

increased by 27 per cent it would become 59.7 per cent and if increased by 53 per cent it would become 71.9 per cent.

6. If the personal income tax payable by a married taxpayer with income of $5,000, who had two dependant children qualified for family allowance (which is $237.79 at current rates after deducting a provincial abatement at 21 per cent) were increased by the percentages shown above the additional amounts of tax payable would be as follows:

Increases of 27 per cent, $64; increase of 9 per cent, $21; increase of 53 per cent, $126; increase of 26 per cent, $62.

However, because it would be impractical to increase the tax of all individuals by 53 per cent or even by 27 per cent, the amount of tax paid by individuals with lower or medium incomes would have to be increased by more than the percentages shown above in order to produce the revenue proposed. As a result the taxpayer described in this question would have to pay larger amounts of additional tax than shown above. An increase of 27 per cent or even 9 per cent would have a very appreciable effect on the tax of all individuals.

[*Text*]

CYCLICAL REVIEW OF CIVIL SERVICE SALARIES

Question No. 1,105—**Mr. Nugent:**

1. When is it expected that the next cyclical review of civil service salaries in each of the groups will be completed (a) by the civil service commission (b) by the government?

2. In respect of each group, what will be the operative date of salary adjustment?

Mr. McIlraith: 1. The second cyclical review of civil service salaries is now under way and final decision in respect of each of the groups has, or will be, taken as follows:

Group "A", professional and related classes —review completed and salary revisions approved on March 20 and April 9, 1964.

Group "B", administration and clerical classes. Group "C", hospital classes. Group "D", postal, customs, immigration, maintenance and service classes.

In each case the commission's submission is expected to reach the treasury board not later than seven months after the effective date of the increase. In the case of the "B" group, the treasury board has approved the extension of the time limitation to July 15, 1964, for the civil service commission to submit its recommendations. Once the commission's recommendations have been received, decisions are taken by the treasury board as soon as possible, subject to the requirement to consult with staff associations. Past experience indicates that there is an interval of eight to nine months between the effective date of the increase and the date of announcement.

2. Group "A", July 1, 1963; Group "B", October 1, 1963; Group "C", January 1, 1964; Group "D", October 1, 1964.

SALARY ADJUSTMENTS FOR GROUP "A" CIVIL SERVANTS

Question No. 1,106—**Mr. Nugent:**

1. On what date did the civil service commission make its last recommendations for salary adjustments for civil servants in group "A"?

2. On what date did the government take action in respect thereto?

3. Did the government accept all recommendations of the civil service commission and, if not, in what particulars, in detail, did the government refuse to accept the recommendations of the civil service commission; and, in each case, what was the specific reason for such refusal?

Mr. McIlraith: 1. Civil service commission recommendations for classes in the "A" group were received on March 5, March 19, and April 6, 1964.

2. Revised rates were approved by the treasury board on March 20 and April 9, 1964.

3. The treasury board, acting on behalf of the governor in council, has the responsibility in accordance with section 11 of the Civil Service Act, to establish rates of pay after considering the recommendations which the civil service commission is required, by section 10 of the same act, to make. In discharging this responsibility, the board exercises its own judgment, based on the facts and considerations which in its opinion are relevant. This may, and in fact, does result at times in the establishment of rates for certain classes which differ from those recommended by the commission.

CRITERIA FOR CIVIL SERVICE SALARY ADJUSTMENTS

Question No. 1,107—**Mr. Nugent:**

1. Have the civil service commission and the treasury board established common criteria or formulae for the determination of the basis of recommendations for the adjustment of salaries of civil servants and, if so, what are such criteria or formulae?

2. If not, in what particulars do the criteria or formulae applied by the civil service commission and the treasury board differ and for what reasons?

3. What attitude has each of the staff associations communicated to the government as its official position (a) in respect of criteria or formulae adopted by the civil service commission but not approved by treasury board (b) in respect of

criteria or formulae used by treasury board without prior recommendation from the civil service commission (c) in respect of such criteria or formulae as may be agreed upon between the two bodies?

Mr. McIlraith: 1 and 2. The general criteria established for the commission are set forth in section 10 of the Civil Service Act, and the recommendations submitted by the commission are based on the commission's best judgment as to how these criteria should be applied. No similar criteria are prescribed in the act for the treasury board, acting on behalf of the governor in council; however, in considering the recommendations made by the commission the board takes full account of the criteria set out in section 10 of the act, and also of the policy statements made by successive governments in recent years in which the principles governing wage policies for the public service have been enunciated.

3. The government is not in a position to speak on behalf of the staff associations as to their official positions with respect to the matters referred to in this question. The views of the staff associations on a wide variety of formulae and methods of statistical measurement are communicated to the government, not only through formal correspondence with respect to individual questions at issue, but also through the consultations which take place, pursuant to section 7 of the Civil Service Act, on each occasion when salary revisions for groups "A", "B", "C" and "D" are being considered.

ADOPTION OF CYCLICAL REVIEW OF CIVIL SERVICE SALARIES

Question No. 1,109—**Mr. Nugent:**

1. When was the system of cyclical review of civil service salaries adopted?

2. Do Her Majesty's present ministers support and uphold this system of salary review instituted by Her Majesty's former ministers?

Mr. McIlraith: 1. The system of cyclical pay reviews was announced in December, 1961. The first cycle started on July 1, 1961, the date of revision for group "A" classes.

2. The present government is following the system of cyclical pay review announced in December, 1961, pending the completion of development and enactment of collective bargaining in the public service as announced by the Prime Minister.

Questions

DANISH PROTESTS REGARDING BUTTER SALES TO U.K.

Question No. 1,123—**Mr. Latulippe:**

1. Have any officials of the department of external affairs of Denmark protested to the government regarding Canada's plan to sell surplus butter to England on the grounds that such a measure would disturb the market and, if so (a) what was the nature of the protests (b) what was the federal government's reply to such protests?

2. Has Denmark made any concrete proposal to the government of Canada to the effect that the latter should endeavour to sell their surplus on other than traditional markets rather than in western Europe and, if so, what proposals were made and what was the Canadian government's reply?

3. Is there any agreement at the present time between Canada and Denmark regarding markets for butter and, if so, what is the agreement?

(*The answer to question No. 1,123 appears on page 5600.*)

* C.B.C. FILM "THE GOOD LIFE"

Question No. 1,296—**Mr. Fisher:**

1. What was the chronology, with an explanation for each step, in the C.B.C.'s dealings with the production by R. Kelly entitled "The Good Life" from its genesis to the decision not to present it to television audiences?

2. What was the cost of the production?

3. Where is the film held at the present time?

4. Is any consideration being given to releasing this film as a documentary for the use of film societies?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation that it has not been customary to require crown corporations to disclose information which is basically related to the corporation's administration and management. The C.B.C. is engaged in a competitive business and has customarily been left free to conduct its day to day business without being obliged to make public details of its production operations.

* TELEVISION FILM "MR. PEARSON"—RIGHT TO MAKE CHANGES

Question No. 1,325—**Mr. Fairweather:**

Was an agreement made or an undertaking in writing given on March 31, 1964, between the C.B.C. and Mr. Richard Ballentine regarding the film "Mr. Pearson", whereby the Prime Minister was given the right to make certain changes in the said film?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation that a memorandum of settlement was concluded on March 31, 1964, between the C.B.C. and Intervideo Productions Limited with respect to a television film "Mr. Pearson". This agreement recognized the understanding upon which the

Prime Minister consented to participate in the making of the program, as set out by Mr. R. Ballentine's letter to the Prime Minister and later modified by Mr. R. Haggan's letter of January 28, 1964.

*SCREENINGS OF FILM "MR. PEARSON"

Question No. 1,326—**Mr. Fairweather:**

1. How many screenings of the film, "Mr. Pearson", were made (a) in Ottawa (b) in Toronto, before the decision was made by the C.B.C. not to have it used over the facilities of the C.B.C.?
2. How many of said screenings were attended by (a) the Prime Minister (b) the Minister of Trade and Commerce (c) the Minister of Finance (d) the Secretary of State for External Affairs (e) the Minister of Labour?
3. What members of the Prime Minister's official staff were present at each of said screenings?
4. How many officials of the C.B.C. were present at each of said screenings?
5. How many persons other than those above-named were present at each of said screenings?

Mr. Stewart: I am informed by the Canadian Broadcasting Corporation that the completed film "Mr. Pearson" was screened on May 5 by a group of senior C.B.C. officials in Toronto and Ottawa. It was following this screening that the decision was made by the C.B.C. not to broadcast it. None of the persons referred to in parts 2, 3 and 5 of the question was present at this screening.

The C.B.C. further advises that in addition to the foregoing there were several screenings over a period of months at the production level in the process of developing the completed film that could be used as a television presentation.

As to the attendance at these earlier screenings of persons referred to in parts 2, 3 and 5 of the question the corporation notes that the matter has already been dealt with in the comments of the Prime Minister of June 24 to the house.

MEALS ON C.N.R. "OCEAN LIMITED"

Question No. 1,333—**Mr. MacQuarrie:**

1. What meals on the "Ocean Limited" are available to Montreal to Moncton sleeping car passengers under the red, white and blue passenger fare plan?
2. Prior to June 14, for how many days were such passengers entitled to breakfast only?
3. What reduction was made in the price of tickets for such passengers?

Mr. Pickersgill: The management of Canadian National Railways advises as follows:

1. Sleeping car passengers travelling on the "Ocean Limited" from Montreal to Moncton are entitled to two meals, namely dinner and breakfast.

[Mr. Stewart.]

2. Prior to June 14, sleeping car passengers travelling on the "Ocean Limited" from Montreal to Moncton were entitled to two meals, namely breakfast and lunch.

3. Not applicable.

C.N.R. STATION, MONCTON, N.B.

Question No. 1,334—**Mr. Macquarrie:**

1. What is the total floor space in the C.N.R. depot at Moncton, New Brunswick?
2. What is the total floor space of public waiting rooms in this station?
3. What is the seating capacity in such waiting rooms?
4. What was the floor space and the seating capacity of the former station building?
5. What is the floor space and the seating capacity of the lunch counter of the present station building?
6. What was the floor space and the seating capacity of the lunch counter of the former station building?
7. How many trains make stopovers at Moncton?
8. Has there been an increase in passenger travel on trains passing through or originating from Moncton since 1961, and, if so, what is the rate of increase since 1961?

Mr. Pickersgill: The management of Canadian National Railways advise as follows:

1. 9,852 square feet.
2. 3,173 square feet.
3. 134 seats.
4. 3,283 square feet and 100 seats.
5. 338 square feet. There are no seats.
6. 472 square feet. There were no seats.
7. Ten passenger trains either originate or terminate at Moncton daily. Also, there are four through passenger trains each weekday, and three times weekly there are two additional originating and terminating passenger trains.
8. As a result of the red, white and blue fare plan, there has been an increase in the number of passengers travelling within the maritime provinces. However, the number of persons passing through or originating from Moncton since 1961 is not readily available.

SPARE BRIDGE TENDER, GRAND NARROWS, N.S.

Question No. 1,358—**Mr. Muir (Cape Breton North and Victoria):**

1. Who has filled the position of spare bridge tender at the C.N.R. bridge, Grand Narrows, N.S.?
2. What are the qualifications for such a position and was veteran's preference taken into consideration?
3. If this position has not yet been filled, how and when will the appointment be made and will veterans preference be taken into consideration?

Mr. Pickersgill: The management of Canadian National Railways advise as follows:

1, 2 and 3. The position is vacant and the filling thereof will be pursuant to the provisions of the agreement with the brotherhood of maintenance of way employees.

RECOMMENDATIONS FOR INCREASED RESEARCH EXPENDITURES

Question No. 1,366—**Mr. Orlikow:**

1. Is the government giving consideration to the recommendations made by the universities to the national research council committee headed by Dr. J. W. T. Spinks to the effect that government support for research done in Canadian universities be increased from $11.1 million allocated for the year 1963-64 to $38.5 million for the year 1964-65 and to $54.84 million for the year 1968-69?

2. Is the government giving consideration to the recommendation of the study committee appointed by the N.R.C. to investigate the problem of government aid to university research which recommended that the grants given by N.R.C. to aid research in universities be increased from $9.2 million in 1963-64 to $19.6 million in 1964-65, $27.9 million in 1965-66 and to $52.9 million in 1968-69?

Mr. Drury: In so far as the Minister of Industry and national research council are concerned:

1. See answer to 2.

2. Yes. The estimates submitted by universities, referred to in part 1 of the question, will be considered in the context of the recommendations of the study committee of the national research council, which took account of these estimates in preparing its report.

* RADAR STATION, ST. SYLVESTRE, QUE.

Question No. 1,391—**Mr. Pigeon:**

1. In what year was the radar station at St. Sylvestre, in the constituency of Lotbinière built, and how much did it cost to build?

2. How many persons were employed at this radar station in 1960-61-62?

3. In these same years, what was the total of salaries paid?

4. When did the government decide to terminate the operation of this station?

[*Translation*]

Mr. Cardin: 1. The radar station at St. Sylvestre was built in 1951 and 1954 under the 1951 Pine Tree agreement. The United States paid all capital expenditures for construction and materials, except for military quarters and other facilities not covered by regulations concerning the United States aviation for that type of bases. Total capital expenditures amounted to approximately $13,200,000.

2 and 3.

	Average number of employees	Salaries
1960-61	378	$1,600,000
1961-62	382	1,700,000
1962-63	362	1,600,000

4. The government announced the closing of the station on March 9, 1964.

[*Text*]

*C.B.C.—TIME ALLOTMENT TO FLAG ISSUE

Question No. 1,402—**Mr. Coates:**

1. How much time has been allotted to the flag issue by the C.B.C. on both radio and television since January 1, 1964?

2. How much of this time was made available to independent commentators on this subject?

3. How much of the time allotted to independent commentators was used in support of the red ensign and how much in support of a new flag design?

4. How much of this time was made available on the English radio and television network and on the French radio and television network?

Mr. Stewart: The Canadian Broadcasting Corporation has informed me as follows:

1 and 2. The C.B.C. has not allotted any specific amount of time to the flag issue. It has dealt with it in its news bulletins in accordance with its normal news policy of reporting developments as they occur and in accordance with normal standards of newsworthiness. The issue has also been dealt with extensively by a number of independent commentators with different viewpoints in such programs as Preview Commentary, Commentaires, Capital Report, Viewpoint, Tour des Capitales, Trans Canada Matinee, Aujourd'hui, etc. There have also been a number of special programs such as Newsmagazine, Inquiry, Camera '64, Actualités Politiques.

3. No specific time was allotted; but a wide variety of points of view was expressed by a number of different independent commentators; and C.B.C. news reported different viewpoints as they were expressed in parliament or in other forms of public statement.

4. See 1 and 2.

NEW C.B.C. FILM ON PRIME MINISTER

Question No. 1,407—**Mr. Coates:**

Is the C.B.C. presently planning to produce a new program featuring Prime Minister Pearson?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation that the answer is no.

Questions

DEFENCE PRODUCTION CONTRACTS, ENAMEL AND HEATING CO.

Question No. 1,411—**Mr. Macquarrie:**

1. What contracts does the enamel and heating plant at Charlottetown currently hold from the Department of Defence Production?

2. How many aircraft are to be sent to this plant for repair and refit during the balance of the year 1964?

3. What new work is the department planning to send to this important establishment?

4. When did the department first send aircraft to this plant?

5. How many aircraft have been repaired and/or refitted at Charlottetown since that date?

Mr. Drury: 1. None. The company holds one subcontract from Canadair Limited for the reconditioning of 12 Sabre (F86) aircraft.

2. None. All Sabre aircraft scheduled by D.N.D. for reconditioning are now in work at the Charlottetown plant.

3. At the present time the requirements of the Department of National Defence do not include any further repair and overhaul or CAIR work on the F86 program. This plant was set up to handle the repair and overhaul of the F86 aircraft and, since the F86 is being phased out of the R.C.A.F. inventory, the F86 repair and overhaul work will be completed in July of this year.

4. March 1961.

5. 34 Sabre aircraft; 6 of which are still in work; 4 Lancaster aircraft; 2 of which were not repaired or refitted but were reduced to spares.

ENROLMENTS IN ARMED SERVICES

Question No. 1,419—**Mr. Coates:**

How many recruits have been enrolled in the three armed services for the months of January to May inclusive, of this year?

Answer:

Jan.	Feb.	Mar.	Apr.	May
728	754	696	697	780

HARBOUR IMPROVEMENTS AND BRIDGE REPAIRS, PICTOU, N.S.

Question No. 1,423—**Mr. MacEwan:**

1. What were the names of the tenderers and the amounts of the various tenders for harbour improvements and repairs to pier "A" at Pictou, Nova Scotia?

2. To whom will the contract be awarded?

Mr. Deschatelets: 1. Colin R. MacDonald Ltd., Antigonish, N.S., $18,616; R. A. Douglas Ltd., New Glasgow, N.S., $22,542.40; Joseph Almon, New Glasgow, N.S., $23,096.50.

[Mr. Lamontagne.]

2. Colin R. MacDonald Ltd. has been awarded the contract.

STUDY OF INFLATION

Question No. 1,426—**Mr. Wahn:**

1. What has been the percentage rate of inflation in Canada for each year from 1946 to date?

2. Is the government making or having made any specific study as to whether there are any methods whereby inflation can be controlled or eliminated without increasing unemployment?

3. If no such study is being made, does the government propose to initiate such a study?

Mr. Pennell: 1. There is no agreed definition of inflation, amongst economic experts, and there is no single statistical series that could measure it. Different indices of price movements have moved differently at different times, depending upon price and economic developments at home and abroad. The various price indices are published by the bureau of statistics.

2 and 3. Various departments and agencies as part of their normal responsibilities study possible means of alleviating unemployment while maintaining reasonable stability of prices, and the government from time to time directs them to consider particular measures to be placed before parliament.

C.B.C. FILMS ON PARTY LEADERS

Question No. 1,428—**Mr. Mather:**

Is consideration being given by the C.B.C. to making a film recording of the national leaders of other than Liberal and Conservative parties?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation that there are no present plans for such filmings.

*LABOUR CONGRESS NOMINATION FOR UNEMPLOYMENT INSURANCE COMMISSION

Question No. 1,433—**Mr. Nugent:**

1. Did the Canadian Labour Congress recently recommend for appointment to a vacancy on the unemployment insurance commission, Neil Reimer and, if so, on what date?

2. On what date did this vacancy occur?

3. Has the Canadian Labour Congress more recently put forward as its recommendation, Tom Ward, a C.L.C. employee or official and, if so, on what date?

Mr. Byrne: 1, 2 and 3. A communication was received from the Canadian Labour Congress on June 16, recommending the names of Mr. C. Reimer, Edmonton, Alberta and Mr. T. B. Ward, Ottawa, to fill a vacancy on the unemployment insurance commission, which occurred on April 30, 1964.

AERIAL MAGNETOMETER SURVEY

Question No. 1,441—**Mr. Dinsdale:**

1. Is an aerial magnetometer survey underway in Canada?
2. When was the program launched?
3. What provinces are participating?
4. How much of the survey has been carried out in each of these provinces?
5. What area will be covered in the (a) Yukon Territory (b) Northwest Territories?
6. What is the total cost of the project to the federal treasury?

Mr. Benidickson: 1. Yes.

2. It was started on a small scale in 1947 by the geological survey of Canada using one aircraft until 1962 when the mines departments of all the provinces were invited to participate on a 50-50 cost sharing basis, at which time the rate of surveying was increased by a factor of about 10, with all the work being contracted out to private companies.

3. Alberta, Saskatchewan, Manitoba, Ontario and Quebec. The provinces of Nova Scotia, New Brunswick, Prince Edward Island and part of Newfoundland had been surveyed by the geological survey prior to the cost sharing agreement with the participating provinces. Because of the rugged terrain, British Columbia is not generally amenable to the standard techniques applied in the rest of the country although some of the flatter portions of the province have been surveyed on a cost sharing arrangement with the B.C. department of mines and petroleum resources.

4. Out of an approximate total of one million square miles, the provincial and territorial breakdown is approximately as follows: Yukon Territory, 33,000 square miles; District of Mackenzie, 152,000 square miles; District of Keewatin, 30,000 square miles; District of Franklin, 30,000 square miles; British Columbia, 27,000 square miles; Alberta, 71,000 square miles; Saskatchewan, 90,000 square miles; Manitoba, 140,000 square miles; Ontario, 191,000 square miles; Quebec, 167,000 square miles; New Brunswick, 24,000 square miles; Nova Scotia, 21,068 (whole province) square miles; Prince Edward Island, 2,148 (whole province) square miles; Newfoundland, 19,000 square miles. Total 997,216 square miles.

5. Three year contracts are being planned for 1965, 1966 and 1967 in: (a) the Yukon, 38,000 square miles; (b) District of Mackenzie, 38,000 square miles; District of Keewatin, 27,000 square miles; District of Franklin, 35,000 square miles.

Questions

About 15,000 square miles of Hudson bay are being planned for 1965 to be flown by the geological survey. When the project is completed in 1974, all the Yukon and Northwest Territories which can be surveyed will have been surveyed.

6. The total cost of the project to the federal treasury has to date been approximately $4,437,000.

It is expected that the total cost to the federal treasury when the project is completed in 1974 will have been about $12 million.

SHIPS ORDERED BY NORTHERN TRANSPORTATION CO.

Question No. 1,446—**Mr. Nugent:**

1. Does Northern Transportation Company have under order now or under construction a ship designed to do the job for which their L.S.M. was purchased or for a similar type of operation?
2. Does Northern Transportation Company have an order now or under construction any ships, barges or tugs and, if so, for what purpose is each planned to be used, in what area will they be licensed to operate and when is it anticipated that they will be put into use?

Answer: 1. No; but invitations have gone out for tenders on a vessel designed to operate in Arctic waters, commencing during the 1965 navigation season; propulsion machinery and other equipment from the L.S.M. previously purchased will be incorporated in the new vessel.

2. Northern Transportation does not have on order, or under construction, nor does it contemplate the construction of any ships, barges or tugs other than as indicated in 1 above.

TENDERS FOR FENCE DISPOSAL, SUNNYVALE, N.S.

Question No. 1,461—**Mr. MacEwan:**

1. What were the names of the tenderers and the amounts of the various tenders on the tender call for Crown Assets Disposal Corporation on 1,000 feet of fence at Sunnyvale, near Liverpool, Nova Scotia?
2. What person or company was the successful tenderer?

Mr. Drury: 1. Cecil Breen, Westville, N.S., $1,810; Antigonish Columbus Club, Antigonish, $995; Clyde L. Baltzer Ltd., Annapolis Royal, N.S., $459; Silver's Garage Limited, Bridgewater, N.S., $410; B. Garson & Son, Yarmouth Ltd., Yarmouth, N.S., $401.25; Sackville Downs Ltd., Halifax, N.S., $300; Fred Nickerson, Villagedale, Shelburne Co. N.S., $300; Zion United Church Cemeteries, Liverpool, N.S., $300; J.V. Scobey, Liverpool,

N.S., $275; Pentecostal Holiness Church, Halifax, N.S., $200; MacArthur Demolition, Lewisville, N.B., $110.

2. Cecil Breen, Westville, N.S.

PENITENTIARY SITE, NORTHUMBERLAND COUNTY, ONT.

Question No. 1,462—**Mr. Webb:**

With respect to the federal penitentiary to be constructed in Northumberland county, Ontario (a) has a site been purchased by the government and, if so, what are the particulars of the location, acreage and purchase price (b) who was the owner from whom the property was purchased by the government (c) if a site has not yet been purchased, are negotiations in progress with the owner of any site in which the government is interested and, if so, what is his name and what are the particulars requested in (a) above with respect to this site?

Mr. Deschatelets: (a) A site has been purchased for a federal penitentiary in Northumberland county, Ontario. It is located approximately four miles east of the village of Warkworth and is in the northeasterly part of the township only a few miles west of the westerly shore of Percy reach and approximately one mile east of No. 30 provincial highway. It fronts on the county road between concessions 9 and 10 and contains 197.79 acres including a 6.69 acre unopened road allowance. The property was purchased for $55,000.

(b) The property was purchased from Mr. Owen C. Clark on January 6, 1964.

(c) Not applicable.

VISIT TO CUBA BY UNIVERSITY STUDENTS

Question No. 1,468—**Mrs. Jones:**

1. Have passports been issued to a group of young Canadians to enable each of them to spend the summer in Cuba?

2. If so, how many (a) English speaking, and (b) French speaking, university students have been granted such passports?

3. Is the sponsor of the project the fair play for Cuba committee?

4. Has the government any knowledge of the purpose of such project and, if so, is it to enable the students chosen to see and evaluate at first hand the communist Cuban experiment?

Mr. Martin (Essex East): 1. Canada has no regulations prohibiting the travel of Canadians to Cuba or to any other country, and Canadian passports are valid for all countries. Canadian passport application forms do not require applicants to specify the country or countries to which they intend to travel.

[Mr. Drury.]

2. For the reason stated in the previous answer with regard to passport application forms, this information is not available in the passport records.

3. Yes.

4. The fair play for Cuba committee has indicated in certain public announcements that such is a purpose of the project.

C.B.C. SITE IN VANCOUVER

Question No. 1,471—**Mr. Prittie:**

Has the council of the city of Vancouver, with a view to attracting the C.B.C. to the downtown area, offered the C.B.C. a site free of charge as they have offered to a professional hockey organization of Toronto?

Mr. Lamontagne: I am informed by the Canadian Broadcasting Corporation that the answer is no.

*ST. SYLVESTRE RADAR STATION—DISCUSSIONS WITH QUEBEC SOCIAL WELFARE DEPARTMENT

Question No. 1,478—**Mr. Choquette:**

With reference to the radar station at St. Sylvestre, Lotbinière county (a) has the government had discussions with the minister and officers of the family and social welfare department of Quebec (b) what was the nature of the discussions and what conclusion, if any, was reached?

Mr. Drury: (a) Yes.

(b) The discussions have had to do with the announced closing of the station and the possibilities of using it as a provincial rehabilitation centre. The government is not aware of any final decision in this regard on the part of the government of the province of Quebec.

*ST. SYLVESTRE RADAR STATION—DISCUSSIONS WITH QUEBEC HEALTH DEPARTMENT

Question No. 1,479—**Mr. Choquette:**

With reference to the radar station at St. Sylvestre, Lotbinière county (a) has the government had discussions with the minister and officers of the department of health of Quebec (b) what was the nature of the discussions and what conclusion, if any, was reached?

Mr. Drury: (a) No.

(b) Not applicable.

*ST. SYLVESTRE RADAR STATION—USE BY INDUSTRY

Question No. 1,480—**Mr. Choquette:**

1. Has the government made any particular effort to get industrialists interested in the site of the radar station at St. Sylvestre, Lotbinière county?

2. Does the government see any possibility of establishing a profitable industry in the abovementioned location?

Mr. Drury: 1. The area development agency has carried out a study to determine whether

there might be any alternative uses for the radar station at St. Sylvestre for industrial purposes. The study was undertaken in co-operation with the government of the province of Quebec and with municipal authorities. The government has not, as yet been successful in interesting industrialists in the site.

2. Any such possibility is not foreseen at present.

*RENTAL OF STONE CRUSHER, ST. LEONARD, QUE.

Question No. 1,496—**Mr. Ricard:**

Has the Minister of Defence Production signed a contract with Payette Construction Limited, of St. Leonard, Quebec, for the rental of a portable stone crusher and, if so (a) what is the amount of the contract (b) in what construction project will the machine be used?

Mr. Drury: Yes. As a result of competitive tender call, on June 3, 1964, contract MON4-1079/1 for the hiring of a portable stone crusher plant was awarded to Payette Construction Limited, 8435 Langelier, St. Leonard, P.Q. by the Montreal regional office, Department of Defence Production. (a) Payment is to be made on the basis of $0.78 per cubic yard of crushed gravel produced. The contract has a financial limitation of $10,000. (b) The gravel is required for road repairs at Bouchard military camp, Ste. Thérèse de Blainville, P.Q.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to rise on a question of privilege. One of the questions which the parliamentary secretary to the Secretary of State asked to stand was question No. 1,265, which has been on the order paper since June 10, a matter of 35 days. In view of the nature of the question it seems to me it is one to which an appropriate official could find an answer within a matter of hours. The question is:

Are there in effect any regulations or orders in council, published or unpublished, respecting wire-tapping of telephone or telegraph communications and, if so, what are the numbers and dates thereof?

I wonder if the answer to that question could not be brought down very soon?

Mr. J. B. Stewart (Parliamentary Secretary to Secretary of State): I shall ascertain if it will be possible to answer the question shortly.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I rise on a question of privilege relating to the failure of the C.B.C. to provide an answer for starred question No. 1,296. I want to bring to the attention of my colleagues in the house at least two points because I think the refusal of the C.B.C. should be considered in this house, and I want the minister to look into it.

First I suggest that the information we have been given in connection with the Pearson film includes such things as the costs and the release of the production to film societies and so on. In other words, it seems to me that in the Pearson film the C.B.C. has already breached the very rules it has drawn up against giving out any information on the second question.

The second point is that in the public accounts committee the Auditor General has drawn to our attention in the reports for two year samples of C.B.C. programs that have not been run, and giving the costs; and from the president of the C.B.C. we have had an explanation in that committee as to what happened with these particular programs. It seems just flying in the face of whatever privileges we may have as members of parliament that if when we wait two or three years we can get this information through the Auditor General, and through the president of the C.B.C. appearing before that committee, but we cannot have the information as the result of a direct question placed on the order paper.

For that reason I would like to ask the minister who reports to this house for the C.B.C. to consult with the C.B.C. and ask them if they would not look at this whole question again; I do not mean this single question, but the whole privilege that I believe is involved.

Hon. Maurice Lamontagne (Secretary of State): I will look into it, Mr. Speaker.

MOTIONS FOR PAPERS

Mr. J. B. Stewart (Parliamentary Secretary to Secretary of State): Mr. Speaker, motion No. 140 is accepted. I ask that motions Nos. 133, 134 and 135 stand. Will Your Honour please call motion No. 139?

FLAG LETTER FROM MRS. J. LEVERIDGE

Motion No. 140—**Mr. Millar:**

That an order of the house do issue for a copy of a letter from Mrs. J. Leveridge, R.R. No. 2, Brighton, Ontario to the Prime Minister regarding the three maple leaf flag and the copy of the reply thereto.

Motion agreed to.

Motions for Papers

OFFER OF FINANCIAL HELP TO CYPRUS

Motion No. 139—**Mr. Laprise:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all letters, telegrams, or other correspondence exchanged between the Secretary of State for External Affairs or any official of his department and the government of Cyprus or its representatives, concerning the offer of financial help made by the Canadian government during the years 1963 and 1964.

[*Translation*]

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I would ask the hon. member to be good enough to withdraw this motion, because there is no correspondence.

Mr. Gérard Laprise (Chapleau): Mr. Speaker, as can be seen on page 4839 of *Hansard*, answer has been given by the minister to the hon. member for Villeneuve (Mr. Caouette) who had directed the following question to him:

Since it is rumoured that Canada will renew its participation to the United Nations force in Cyprus, which will entail a supplementary expenditure of about $2 million, would the minister consider suggesting to the United Nations that this huge amount be distributed so as to help the economic conditions of the Cypriots instead of imposing this force upon them, because I believe this would pave the way for an agreement between the two communities in Cyprus.

To this, the minister replied:

Mr. Speaker, before the United Nations force was set up, the Canadian government had made the same suggestion as advanced by the hon. member; unfortunately, it was a long range proposal and it was not considered acceptable in February.

How can the minister explain that proposals have been made without there being any correspondence with the Cypriot government?

Mr. Martin (Essex East): Mr. Speaker, there have been discussions between the government of Canada and those of other countries and also the United Nations. The motion asks for the production of letters exchanged between us and the government of Cyprus, and there have not been any.

[*Text*]

Mr. Speaker: Do I understand the motion is now withdrawn?

Mr. Laprise: Yes.

Order discharged and motion withdrawn.

[Mr. Millar.]

CANADIAN BROADCASTING CORPORATION

REQUEST FOR SETTING UP OF PARLIAMENTARY COMMITTEE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I direct my inquiry to the Secretary of State. It arises out of the annual report of the Canadian Broadcasting Corporation in which it is stated that a public inquiry is most advisable at this time concerning the affairs of the C.B.C. The suggestion is that it would make possible the orderly and efficient development of the national services if they were given on a charter basis.

The question often arises whether or not parliament is efficient and whether its members have sufficient to do. Does not this report indicate that the request on the part of the opposition for a parliamentary committee on the C.B.C. is justified, and would the minister not consider recommending the setting up of such a committee? With many members available for the purpose, and knowledgeable on the subject, and parliament being responsible for the financing of the corporation, does the hon. gentleman not think it is a parliamentary inquiry which should be initiated in this connection?

Hon. Maurice Lamontagne (Secretary of State): The house will recall that at the end of May I announced the establishment of a committee to study broadcasting in Canada and to review the present legislation. I think the matters raised in this report produced by the C.B.C. should first be reviewed and carefully studied by this committee. Later, as I have already said here, when this committee reports and makes recommendations to the government we shall introduce legislation in this house, and at the time this legislation is considered there will be a parliamentary committee.

Mr. Diefenbaker: Does the minister's answer mean that he does not think members of parliament, with the wide knowledge they have, are able to give full consideration to these matters, particularly when parliament is asked to put up some $80 million in this connection? Why should parliament be evaded in this way?

Mr. Lamontagne: Parliament will certainly not be evaded. It will have full opportunity to consider any change in the legislation and any change in the structure of the C.B.C.

PROVISION OF CAPITAL FUND FOR EXTENSION OF SERVICE

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I want to ask the Secretary of State a question dealing with the C.B.C. report. I want to ask him whether he has brought before his colleagues for consideration the proposal of the C.B.C. that a $15 million capital fund would enable it at one stride to cover all those Canadians who at the present time do not have television and radio service.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, this problem as well as other related problems is now being studied by the advisory committee on broadcasting and we hope to be able, as I said, to bring forward legislation next year to cover this aspect of C.B.C. financing as well as others.

VANCOUVER—POSSIBLE USE OF FORMER R.C.A.F. BASE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would direct a question to the Minister of Industry and ask him whether he has been advised that the city council of Vancouver yesterday passed a resolution to the effect that the authorities in Ottawa be asked for a 60 day deferment of any decision on the Kitsilano R.C.A.F. site, and that in the meantime the council investigate the possibility of locating the C.B.C. on another adequate site. Has he received such a resolution which has been passed by the city of Vancouver council, and if so will that request receive favourable consideration?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I have not received a copy of the resolution but I do have a wire which is addressed to me, as well as to a number of other members of the government, in substantially the same terms as those read out by the Leader of the Opposition. The request of the city of Vancouver, which is seeking to implement a suggestion made some time ago by the Postmaster General to the city council, will get favourable consideration.

Mr. Diefenbaker: Does that mean favourable consideration, and not that an abrupt decision will be made later this week without regard to the wishes of the council of the city of Vancouver?

Mr. Drury: Mr. Speaker, I said that the request for a reasonable deferment would get favourable consideration.

Inquiries of the Ministry

AIR TRANSPORT

REQUEST FOR REPORT ON CRASH OF T.C.A. PLANE

On the orders of the day:

Hon. Léon Balcer (Three Rivers): I should like to direct a question to the Minister of Transport; I wish to assure him it has nothing to do with the Jet Star. I wonder if he could tell me if the inquiry into the DC-8 crash at Ste. Thérèse has now been completed and when we can expect the findings to be made public.

Hon. J. W. Pickersgill (Minister of Transport): The hon. gentleman has asked a question about a very grave matter about which there is a great deal of concern. He was good enough to give me notice in ample time for me to prepare a reply. I do not usually read a reply, but in view of the gravity of the circumstances and their tragic nature I would not wish to use any words which had not been carefully considered. Perhaps the house would permit me to read the answer instead of speaking extemporaneously.

The transport department's investigation of the T.C.A. DC-8 crash at Ste. Thérèse, Quebec last November is expected to be completed by mid-September. The investigators have recovered 105,000 pounds or 76 per cent of the aircraft structure, all of which has been minutely examined by technical specialists. Significant items have also been studied and dissected in laboratories together with scrap sized pieces of metal which it would be impracticable to retrieve but from which samples have been taken. An estimated 90 per cent of the structure can now be accounted for.

The investigation, which I am told is the largest in Canadian aviation history, has been carried out by six working groups under the general direction of the chief of accident investigation division of the Department of Transport. Each group is headed by a government employee either of the Department of Transport, the national research council or the R.C.A.F., and consists of experts drawn from the government, T.C.A., United Aircraft Corporation, Canadair and the Canadian air line pilots association. The investigation team is concerned only with the determination of facts, and it is not their responsibility to allocate blame.

At the moment reports from the laboratories and specialists are being analysed. When this is completed the findings will come to me as Minister of Transport. I will have the responsibility to decide whether a

board of inquiry is to be convened at which the findings of the investigators would be presented at a public hearing. If such a board is convened it will consist of persons who are not employed in the Department of Transport or T.C.A.

Mr. Balcer: Mr. Speaker, a supplementary question. I wonder whether the minister could give us an approximate figure of the expenses which have so far been incurred in this inquiry.

Mr. Pickersgill: Mr. Speaker, I should not like to give a figure off the top of my head but I am afraid it is pretty large.

HOUSING

SUGGESTED CHANGE IN LOAN POLICY TO AID FALL CONSTRUCTION

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to put a question to the Postmaster General. Is the minister aware of the fact that next fall's "national housing parade" will be seriously jeopardized if C.M.H.C. does not change its lending policy concerning builders?

[*Text*]

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, I thank the hon. member for having given me notice of his question. The matter is under active study and I hope to be able to make a definite announcement before the end of next week.

REPORTED ADVERSE EFFECT OF CONSTRUCTION BONUS

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I should like to address a question to the Minister of Labour. In view of a memorandum on the winter house building incentive program sent to the minister by the Montreal construction association, which states among other things that "the program did not stimulate housing demand above normal levels on an annual basis", is the minister giving any consideration to discontinuing this program?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, naturally I do not accept as fact the allegations made in the memorandum, because I think the experience is exactly the opposite. Not only did the program shift construction from the high seasonal period of activity in the summer to the winter months, but in our view it also had a total effect on housing demand. There is no intention of discontinuing the program, although I assured the officers of the Montreal builders association yesterday that every consideration would be given to their point of view with regard to the effect of the program on the building industry but that we intended to continue the program.

Mr. Hales: A supplementary question, Mr. Speaker. How does the minister substantiate his answer in view of the d.b.s. labour statistics release today which states that "the increase in construction employment between May and June was below average for the time of year"?

Mr. MacEachen: I conceded that particular point because this was one of the objectives of the winter house building program. There has been some decrease in house building activity at this particular time of the year, which we expected when the program was initiated.

EDUCATION

STUDENT LOANS—PROTESTS BY QUEBEC STUDENT ORGANIZATIONS

On the orders of the day:

[*Translation*]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. Has the government received a letter of protest from Quebec's university student associations concerning the legislation introduced to facilitate student loans?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I have received no such letter myself, but I will find out.

[*Text*]

TRADE

U.S. CONSIDERATION OF COUNTERVAILING DUTIES ON AUTOMOBILES AND PARTS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of Industry and ask whether he has received any word yet as to a decision by the United States government on the Canada remission tariff plan. This matter has been studied by the United States treasury department and by the commissioner of

customs in that country. Has the minister received any word yet on their decision in respect to this Canadian plan?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, in respect to the inquiry being conducted by the commissioner of customs in the United States, the last date for submitting briefs for consideration by the commissioner is August 3. Consequently the commissioner will not be in a position before August 3 even to consider the brief which has been submitted. Therefore, manifestly one cannot expect a decision until some time after that date.

Mr. Starr: My supplementary question, Mr. Speaker, I realize is hypothetical; none the less I wish to press it, and it is this. If the United States government finds that this is what they term a bounty under their law, what would be the position of the Canadian government at that time?

Mr. Drury: Mr. Speaker, I do not think I should give a hypothetical answer to a hypothetical question.

IMMIGRATION

REVISION OF ACT AND ADMISSION PROCEDURES

On the orders of the day:

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Citizenship and Immigration. Could he tell the house whether the government is considering revising the Immigration Act and the procedures of admission into the country, in order to implement, as far as Canada is concerned, the wishes expressed by the Prime Minister (Mr. Pearson) in London regarding equality of races within the commonwealth?

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, the present Immigration Act makes no discrimination against any race. The only criteria on which selection of immigrants is based are the degree of education and possession of a trade. I do not think there is any need to amend the Immigration Act to remove any discrimination.

As for amending some other provisions of the Immigration Act, I hope to put amendments before the house any day now.

Mr. Martineau: A supplementary question, Mr. Speaker. Can the minister tell us whether the officials of his department have made any progress with the revision of procedures of admission into this country, as promised by the minister some months ago?

Mr. Tremblay: Yes, Mr. Speaker, every day we endeavour to improve our immigrant admission procedures.

[*Text*]

DOMINION-PROVINCIAL RELATIONS

DISCUSSIONS WITH B.C. PREMIER DURING OTTAWA VISIT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Northern Affairs and National Resources. Has he made arrangements to discuss the co-operative development of the Fraser river between the federal and provincial governments with Premier Bennett when he visits Ottawa in the near future in connection with the British Columbia bank?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, there has been no communication from the premier of British Columbia to me along this line.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a related question for the Minister of Public Works. Has he been asked by the premier of British Columbia to discuss the question of the extension of the trans-Canada highway to the northern end of Vancouver island when the premier visits Ottawa?

Hon. J. P. Deschatelets (Minister of Public Works): I will have to inquire, Mr. Speaker. I cannot recall whether I have received any letters in this respect.

DEFENCE PRODUCTION

CONTRACT TO QUEBEC FIRM FOR DESTROYER CONVERSION

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a very short question for the minister of Defence Production and Industry. May I ask the minister, is it correct that a $3½ million conversion contract for the destroyer *Skeena* has been designated to the Davie Shipbuilding Company of Lauzon, Quebec?

Mr. Speaker: Order. This question, although very important, surely could be put on the order paper.

Inquiries of the Ministry

Mr. Muir (Cape Breton North and Victoria): With all due respect to you, sir, I should like to raise a point of order in view of the fact that a few moments ago a rather facetious question was posed by a member of the Liberal party to the Minister of Justice. If Your Honour would bear with me I would like to point out why this question is of the utmost importance.

No. 1. Because of the high employment rate on the west coast as a result of the large wheat sales and grain handling involved.

No. 2. Quebec yards have already recently received several large shipbuilding contracts.

No. 3. Cut-backs in defence contracts have resulted in substantial lay-offs in many areas of my province.

No. 4. —

Mr. Speaker: Order. I think this demonstrates very clearly that the question should be put on the order paper.

Mr. Muir (Cape Breton North and Victoria): I should like to debate this question at the first opportunity, Mr. Speaker.

ADMINISTRATION OF JUSTICE

CONFINEMENT OF JUVENILES IN FEDERAL PENITENTIARIES

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to direct a question to the Minister of Justice. On June 18 last I raised this question with the Minister of Justice following a question I put on the order paper. In raising the question, it is no criticism of his department or of the minister. However, I would bring to his attention the fact that Mr. J. C. A. LaFerriere, director of inmate training, says we are now putting twice as many children in the penitentiaries each year as we did ten years ago. This is contained in the report of the committee of 1962 on juvenile delinquency. In view of this fact, is there any thought of amending the Criminal Code in reference to putting in jail children over the age of seven; and is there any movement or plan to segregate juveniles from mature people in our penitentiaries?

Mr. Speaker: This surely is a question for the order paper also.

Mr. Woolliams: Then, Mr. Speaker, with the greatest respect, I serve notice that I would like to debate this question at 10.30. It is an important question, and the minister said he would answer it.

[Mr. Speaker.]

NATIONAL DEFENCE

INQUIRY AS TO COURSES AT COLLÈGE MILITAIRE DE ST. JEAN

On the orders of the day:

[*Translation*]

Mr. Pigeon: Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence.

Is it his intention to establish a complete four year course at the Collège Militaire Royal de St. Jean at an early date?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, this question is still under study.

Mr. Pigeon: Mr. Speaker, I should like to ask a supplementary question. I am surprised at that delay, but since during the last election campaign the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis) made a formal promise in this connection, how does he explain such a delay?

[*Text*]

REQUIREMENTS RESPECTING BILINGUALISM IN CONSIDERING PROMOTIONS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is to the Associate Minister of National Defence. He said yesterday that he would study carefully in *Hansard* the question I put to him at that time. I wonder whether he can reply now.

Hon. Lucien Cardin (Associate Minister of National Defence): Yes, Mr. Speaker. Yesterday the hon. member for Yukon asked a series of questions based, as he said on press and radio reports with regard to an order issued by the Canadian army concerning bilingual requirements in the promotion of officers. I gave an answer to one of his questions, but told the hon. member that I would prefer to read his subsequent inquiries in *Hansard* before attempting to give a detailed reply.

The report appearing in various news media has caused some concern, and I should like at this time not only to reply to those questions left unanswered but also to elaborate on the answer I did give.

First of all, contrary to the impression one might obtain from reading press reports, the order in question is not new. It was in fact issued in December of last year, and related to the commitments of the Canadian army both overseas and for training army personnel in Canada requiring bilingual service officers and men.

In so far as promotion is concerned, the order states that bilingualism would be one of many factors to be considered in career advancement. In that regard I should like to clarify the statement which I am reported to have made in *Hansard* yesterday. What I thought I had said, and what I should have said, was that bilingualism would be a requirement in certain promotions. Officers and men will continue to be promoted without such a requirement depending upon the positions to be filled; but where a knowledge of both languages is required, then those who have qualified will have an additional credit. In other words it will obviously be a determining factor where positions demand a bilingual capability, but the extent to which this factor would enhance careers in the army generally will depend on many other factors besides the bilingual one.

Mr. Nielsen: I have a supplementary question, Mr. Speaker. First, I wonder whether the minister would be kind enough to table a copy of the order to which he referred, perhaps tomorrow. Can he say whether the order to which he referred as being directed to the army also applies to the navy and the air force; and could the minister also inform the house whether that order or any similar order has any bearing in determining which of the 16,000 personnel are to be released over the next few months?

Mr. Cardin: The order in question affects merely the army. As hon. members can well imagine, there is a greater requirement for bilingual officers in the army than there is in either the navy or the air force. However, I personally would like to see this type of order in both the other two services.

As far as the other part of the question is concerned, the matter of tabling the order, I have no objection to having it tabled immediately.

Mr. Nielsen: There was the other part of the question. Can the minister inform the house whether this order or any similar order has any bearing in determining which of the 16,000 armed forces personnel have been and are to be released

Mr. Cardin: No, it has not, Mr. Speaker.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a supplementary question to the Secretary of State, following a promise made by his party during the last electoral campaign.

Does the minister intend to amend the Civil Service Act to provide for a bonus for bilingual employees, as promised by his party during the last election campaign? Yes or no?

[*Text*]

Yes or no? It is easy.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, as I said yesterday, the government has asked an inter-departmental committee to consider the different aspects of bilingualism within the civil service and, as yet, we have received no report.

[*Translation*]

Mr. Pigeon: A supplementary question, Mr. Speaker. How come that in spite of the 60 days of action of the Liberal government during which all problems were to be settled, there is all this delay? Is it done on purpose by the government?

Mr. Lamontagne: I can assure my hon. friend that it will not take six years.

[*Text*]

Hon. J. A. MacLean (Queens): I have a supplementary question for the Associate Minister of National Defence, Mr. Speaker. I would like to ask the minister whether the order to which he refers has reference only to the two official languages of Canada, or is it of any benefit to a member of the armed forces to be bilingual with regard to one of Canada's official languages plus a foreign language?

Mr. Muir (Cape Breton North and Victoria): How about Gaelic?

Mr. Cardin: Mr. Speaker, I would hardly think it could be claimed that there are foreign languages in Canada, but the order refers to the two official languages.

Mr. MacLean (Queens): Mr. Speaker, the Department of National Defence gives courses in foreign languages. There are some appointments with regard to which knowledge of a foreign language is listed as a requirement, or at least of very great benefit in the case of such persons as military attaches.

Mr. Cardin: If anyone has knowledge of a language other than French or English I would expect that his second language could possibly be used in other areas of the world, and would also be considered a factor in promotion.

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, may I say to the minister that I hope Gaelic will be considered

to be an asset in the services. May I ask him if the present Minister of National Defence is bilingual?

Mr. Cardin: Yes, he is.

HOUSE OF COMMONS

FLAG DEBATE—INCLUSION IN RECORD OF WRITTEN SPEECHES

On the orders of the day:

[*Translation*]

Mr. Gérald Laniel (Beauharnois-Salaberry): Mr. Speaker, I should like to direct a question to the Minister of Justice, as leader of the house. Can he inform the house if the government, or himself, as regards the flag debate, has considered the possibility of having amendments made to the standing orders of the house in order to allow the members who so desire, to file their speeches with the Clerk of the house, and that these speeches be taken as read, as it is done in Washington, thus avoiding lengthy debates and continuous repetitions that only delay the vote?

Mr. Pigeon: Move to the United States.

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, this question can be interesting, and it could be deferred to the special committee on procedure.

Mr. Laniel: Mr. Speaker, I wish to ask a supplementary question. Would the minister make representations to that committee in order that this suggestion might be considered and applied also to other debates in the house?

Mr. Pigeon: Go to the United States.

[*Text*]

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, did the minister give a serious answer? Does he intend such a ridiculous proposition to be considered in a parliamentary system carried on in the British tradition?

Mr. Favreau: Mr. Speaker, what I said exactly was that this was not a question for the house leader or the Minister of Justice, but a question rather for consideration by the special committee on procedure. Whether the committee would report favourably or unfavourably is something which would be left to the total freedom of consideration and report of that committee.

[*Translation*]

Mr. Laniel: Mr. Speaker, I should like to ask a supplementary question. Does the leader of the house think we have the right to form an opinion in this house, regardless of what the Leader of the Opposition thinks about it?

[*Text*]

REQUEST FOR FRENCH TRANSLATION OF REPORTS ISSUED

On the orders of the day:

[*Translation*]

Mr. Clément Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to direct a question to the Minister of Agriculture, relating to the bilingualism spirit which now prevails.

Last Friday the Minister of Agriculture tabled the eastern Canada farm survey for 1963. Could the minister tell us whether it is his intention to table the French version of this survey or, if there is no French version, whether he intends to have the report translated so that it can be made available to hon. members and organizations interested in the agricultural situation in eastern Canada?

[*Text*]

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, we will be glad to consider this. I think it probably should be in both languages, because it certainly is of a great deal of interest to many people in Quebec. I realize this.

[*Translation*]

Mr. Vincent: Mr. Speaker I should like to put a question to the Minister of Trade and Commerce?

Still in that bilingualism spirit, could the minister tell us whether the French version of the Canada Year Book, the English version of which has been at the disposal of the public for some months already, will soon be ready?

[*Text*]

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I will make inquiries. We are proceeding with this as rapidly as possible. We have our difficulties because so much government work is now being published in both languages.

COMMONWEALTH RELATIONS

PROPOSED ESTABLISHMENT IN OTTAWA OF PERMANENT SECRETARIAT

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is to the Secretary of State for External Affairs. I hesitate to ask

it lest I should disturb his comparative peace today. In his capacity as Acting Prime Minister, or as Secretary of State for External Affairs has he had any communication with the Prime Minister regarding the possibility of Ottawa becoming the headquarters for a commonwealth secretariat?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, this matter has been discussed but there is no decision, of course, because the question is now in the exploratory stage.

Mr. Speaker: Orders of the day.

Mr. Pigeon: Mr. Speaker, I have a question.

Mr. Speaker: Order. Under the rules given to the Chair by the house we have half an hour for questions today. We started at 2.27 and it is now after 2.59, which is a few minutes over the 30 minutes allowed.

EDUCATION

MEASURE TO FACILITATE MAKING LOANS TO STUDENTS

The house resumed, from Tuesday, July 14, consideration of the motion of Mr. Gordon for the second reading of Bill No. C-110, to facilitate the making of loans to students.

[*Translation*]

Mr. Rémi Paul (Berthier-Maskinongé-Delanaudière): Mr. Speaker, during the short time I spoke last night, I pointed out that federal-provincial relations today have reached a climax, since they tend more and more towards the establishment of a unitarian system rather than a federal one. So much so that the bill now before us constitutes a federal government intrusion in a field which, under section 93 of the British North America Act, is assigned exclusively to the provinces.

I also reminded the house that several judgments of the privy council had established that provinces could not do indirectly what they were not allowed to do directly. One can find in *Hansard* certain cases related to the study of this matter of constitutional jurisdiction.

I pointed out also that the co-operative federalism advocated by our hon. friends opposite is a disguised, hypocritical, camouflaged and diplomatic method of centralization, such as we knew it under the governments of prime ministers King and St. Laurent.

I pointed out that the bill under consideration is an interference of the federal government in the field of education.

Allow me to refer to a speech made before the house in 1958 by Hon. Donald Fleming, the then minister of finance, at a time when the matter of grants to universities was discussed. As reported at page 4726 of *Hansard*, he stated:

> We recognize and we respect the provinces' absolute jurisdiction in the field of education. The increased grants proposed by the government are merely a necessary aid to universities, without government infringement upon a single provincial responsibility. As long as this government is in power, it will never encroach upon education, which is a provincial matter.

My argument is based on this statement of the former minister of finance.

It is also based on a very important statement made by the hon. member for Drummond-Arthabaska (Mr. Pepin) in March last, in Toronto. Here is what the parliamentary secretary of the present Minister of Trade and Commerce said, according to the report of the newspaper *La Presse* of Thursday, March 19, 1964, which I quote:

> As soon as they were announced, the federal loans to students were condemned by the provincial government and the Quebec students themselves. That was to be expected, for which autonomist can interpret such distribution of funds for education purposes otherwise than as a flagrant interference in a provincial field?
>
> Up to this week, however, no Liberal member, as far as we know, had publicly objected to such action.
>
> It was Mr. Jean-Luc Pepin, Drummond-Arthabaska, assistant to the Minister of Trade and Commerce, who took action in this respect in Toronto on Monday night.

And I quote:

> "The provinces, he said, would discharge this responsibility more efficiently." Yet, Ottawa might, he thinks, facilitate the development of universities by resorting to loans from the Central Mortgage and Housing Corporation, and continue to distribute postgraduate fellowships through the Canada council and the national research council. But when it comes to loans and scholarships to students in general, that is a "real provocation".

I wonder whether the hon. member for Drummond-Arthabaska will repeat the same ideas and argue in the same way when we discuss this legislation. I understand that the hon. member may have had some serious reasons for being absent yesterday, but we find that today he is still absent.

The author of the article, Mr. Larochelle, says further:

> Mr. Pepin considers all this as many others do (the English language dailies, for instance, among which the Montreal *Gazette* of February 24, 1964),

but to proclaim it and sound the alarm as a government member, that is quite another thing.

And Mr. Larochelle adds:

Well done, Mr. Pepin. You might give some of your courage to your colleagues on the treasury benches.

The door is now open to you members from Quebec, who, like myself, come from the most autonomist province.

I do not see many who have the courage to denounce that centralizing legislation which this government has introduced. Anyway, Mr. Speaker, nobody need be shocked if I attack a measure which I consider to be anticonstitutional, since the students themselves, through the students' association of Quebec, recently expressed their views most vigorously and, in spite of their needs, in spite of the aid which student loans would represent, had the courage to sacrifice this mess of potage offered to them, because it was an intrusion into the field which the province of Quebec considers most sacred, that is the educational field.

Indeed—and this is a strange coincidence —a well known columnist, Mr. Paul Sauriol, just wrote in *Le Devoir*, which is generally quite sympathetic to our friends opposite, an editorial published today about the problem of student loans and co-operative federalism.

It is unfortunate that the Quebec leader, the Minister of Justice (Mr. Favreau), should be referred to in this article, because these are not necessarily his views, especially on this matter of federal intrusion into the field of civil rights, as I intend to point out to him shortly. Mr. Sauriol, referring to the recent break between the two Quebec Liberal organizations in the federal and provincial fields, quoted a statement made by the Minister of Justice at the convention held recently in Quebec city:

In a sound provincial system, both levels of government fully respect the jurisdiction and responsibilities of either one.

What a wonderful theory. What a poor showing.

That is a clear and unqualified text on the requirements of federalism. In the Canadian constitution, education comes under the exclusive jurisdiction of the provinces; however, Mr. Favreau, as a minister in the Pearson government, proposes and commends those federal loans to students, which are an invasion of provincial jurisdiction.

Today, prominent jurists of the province of Quebec who sit on the other side—I can see my hon. friend from Argenteuil-Deux-Montagnes (Mr. Drouin) and the member for St. Lawrence-St. George (Mr. Turner)—will analyse very carefully, I hope, the point concerning the constitutionality of this bill.

I proceed with Mr. Sauriol's article:

That is a clear and unqualified text on the requirements of federalism. But, in the Canadian constitution, education comes under the exclusive jurisdiction of the provinces; however, Mr. Favreau, as minister in the Pearson government, proposes and commends those federal loans to students, which are an invasion of provincial jurisdiction. According to Mr. Favreau's own definition, it can be said that the confederation is sick.

—That is what is called respecting the rights of the provinces.

The journalist comments upon a statement made by the Secretary of State (Mr. Lamontagne), and Mr. Sauriol continues:

That system remains unacceptable because the central government is taking the initiative in matters which fall exclusively under provincial jurisdiction, collecting and using taxes in that way for provincial purposes, imposing controls and the terms of its program even to the provinces which would like to be kept out of it.

I know that my friends opposite will refer to that provision of the bill, in section 12 and the following clauses, which concerns alternative payments, but I do not believe that some of my friends opposite will favour such an evident breach of the Canadian constitution. I have a right to wonder, as they should themselves, why there is in Quebec a nationalism crisis?

We do not have to look further than the disrespect of the British North America Act. If the federal government had respected the text and the spirit of the confederation, the province of Quebec would not be facing that surge of nationalism which becomes necessary, under certain circumstances, to hold in check the centralizing efforts of bureaucrats who exercised their evil and autocratic influence in 1951, under the St. Laurent and King administrations. Some of them are now sitting on cabinet benches and they have only one objective, push down the throat of the nation a unitary system, at the expense of federalism which is so necessary to the development of the rights, the prerogatives and the very existence of the province of Quebec.

Mr. Laniel: Ask Mr. Diefenbaker.

Mr. Paul: Mr. Speaker, if the hon. member wishes to ask a question, I suggest he should rise and do so.

Mr. Laniel: Mr. Speaker, could the hon. member for Berthier-Maskinongé-Delanaudière tell us whether he is giving his personal

opinion, that of his party or that of the Leader of the Opposition (Mr. Diefenbaker)?

Mr. Paul: Mr. Speaker, I am giving my personal opinion, and for the information of the hon. member for Beauharnois-Salaberry, I must say that as a member from the province of Quebec, it is my sacred responsibility to defend the education system which was the very source of our progress, of our development in the province of Quebec, and my hon. friend has no right to be a traitor to the confederative act.

The hon. member may very well preach in favour of compulsory military enrolment, but that will not bring salvation to the province of Quebec which intends to go on living and developing under our system of confederation, provided, as I said earlier, that the spirit as well as the letter of the confederation pact is adhered to.

Mr. Speaker, as I said a moment ago, Bill No. C-110 constitutes a glaring intrusion by the federal government into an exclusively provincial field. Moreover, it constitutes an encroachment upon the most elementary principle of Quebec's civil code. I again ask the great legal minds sitting on the government side to assist me in considering section 15 of the bill before us, which reads as follows:

A guaranteed student loan made by a bank to a borrower not of full age, and interest thereon other than interest payable under section 6, is recoverable by a bank from the borrower as though the borrower had been of full age at the time the loan was made.

Shame, Mr. Speaker—

Mr. Côté (Longueuil): Oh, oh.

Mr. Paul: Mr. Speaker, I hear the hon. member for Longueuil say: Oh, oh. It would have been better for him to spend a few months at the university in order to acquire a few legal notions, for he would have known that civil law comes exclusively under the provinces, that the question of majority is a civil law matter into which the federal government has no right to intervene, as it is now doing.

I would suggest that the hon. member for Longueuil ask his colleagues, the hon. member for Argenteuil-Deux-Montagnes (Mr. Drouin), the hon. member for St. Lawrence-St. George (Mr. Turner), the Associate Minister of National Defence (Mr. Cardin) and the Minister of Justice (Mr. Favreau) whether the question of majority comes under the civil code of the province of Quebec, especially sections 242 and following.

This piece of federal legislation clearly goes against the provisions of the civil code. I am not familiar with the civil law of the other provinces, but I am speaking here as a Quebec member. What will happen when a minor is taken to court under this bill? The only way to get out of the lawsuit will be to have it thrown out of court on a technicality as provided in the code of civil procedure of the province of Quebec.

At that time, what should be the decision of the court? What legal obligation will this legislation impose on the counsel? The latter will have first of all to plead the unconstitutionality of this legislation, since civil law is the exclusive jurisdiction of the provinces. And I challenge anybody among the members opposite to contradict the fact that the question of majority is one of civil right exclusively reserved to the provinces, as clearly and specifically established by section 242 and the following sections in the civil code of the province of Quebec, and accordingly, in the rules of procedure that may be found in section 164 and following of the code of civil procedure of the province of Quebec?

Mr. Speaker, other questions are also at stake. Let us therefore read the other sections of this bill. Let us see what is said in paragraph (a) of section 13:

The governor in council may make regulations (a) prescribing the forms of agreements—

The federal government will now interfere in a civil action taken by a citizen of another province. Another intrusion of the federal government in the field of civil liability. The governor in council will interfere to amend the provisions of the civil code concerning the amendment of an agreement between a borrower, on one hand, and a bank, on the other.

You might state that, in that instance, there is a federal legal provision, since the federal Bank Act is involved. I admit this point, but, then, we are concerned with an action of mixed character, from a legal point of view, an action of joint jurisdiction. What steps will the minister take concerning the wording of the bill, which once again, infringes on the civil code of the province of Quebec?

Paragraph d) of clause 13 reads as follows:

The governor in council may make regulations providing for the assignment or transfer—

This is another measure of civil law which can be found in section 1155 and the following sections of the code of civil law of the province of Quebec, while the question of subrogation is a matter of civil law in which

the federal government cannot interfere. It is another interference of the federal government in a field of exclusive provincial jurisdiction.

There are other measures which affect civil law, property rights. And now the federal government interferes in another provincial field, by virtue of provisions of paragraph (k), section 13, which reads as follows:

> The governor in council may make regulations prescribing the maximum number of academic years—

Here is another direct and baneful interference of the federal government, which is to decide on the number of years during which a citizen of a province—and I speak of the province of Quebec—will have to go to school or college in order to be granted a certificate or a diploma. This is the exclusive jurisdiction of the minister of education in the province of Quebec and the federal government has no right to interfere in that field. I would like to hear some adverse comments from the legal minds.

Another matter, Mr. Speaker. Paragraph (n) of section 13 provides that:

> The governor in council may make regulations prescribing the method of determining when the student is or ceases to be a full time student.

If this is not complete interference of the federal government in the field of education —and I am speaking of the province of Quebec—what is it?

This legislation is further proof of the fact that we have another centralizing government in office but that was a characteristic attitude of all the Liberal administrations we have had in Canada since the second world war and especially since 1939.

That is not all. Paragraph (p) of section 13 provides:

> The governor in council may make regulations prescribing any other matter or thing that under this act is to be prescribed or prescribed by the regulations.

That leaves the door wide open for the worst abuses and intrusions on the part of the federal government concerning the regulations adopted by the various provincial departments of education.

I see my hon. friend, the member for Champlain (Mr. Matte) shaking his head in denial. But let him stand up and ask a legal question. We are not going to turn this into a political problem, because unfortunately we have too often been slaves to a political party. That is why today we must set aside partisanship when the respect of the Canadian constitution is at stake, a constitution which allows for the development and overlapping of two cultures, two races, two languages willing to work for the greatness and prosperity of Canada as a whole.

Mr. Speaker, there are other means of helping students. The provinces have also imperious needs in view of their present development, which is really going at a dizzy speed in Quebec, and I am proud to point it out.

But will this measure solve the educational problem in the province of Quebec? With all respect, Mr. Speaker, I suggest that it will not, and I say that the federal government should, while complying with the constitution, make more generous concessions to the provinces, under the form of unconditional equalization payments. Provincial authorities could then enact legislation concerning education and pass measures which would meet the true regional needs of the various categories of students in the province of Quebec.

According to our hon. friends, there would be an escape clause in this bill. I admit that the option formula could be of some use in the present circumstances. I appreciate the fact that clause 12 of the bill provides for alternative payments, but it is precisely to this principle that I, as many others, am opposed. There is, of course, this way out which makes it possible to vote in favour of this bill, because it provides for alternative payments to the provinces.

But time has come to put a stop to the federal intrusion in areas of exclusive provincial jurisdiction.

In 1958-59, under the Conservative administration, we solved a disputable question, the one concerning university grants. Yesterday, the Leader of the Opposition pointed out the outstanding work accomplished to that effect by the late premier of the province of Quebec, Mr. Paul Sauvé.

But we have not solved this problem; we have solved it only on a temporary basis, in spite of one concession which I would not call pernicious, but generous; indeed, as I said a while ago and as is specifically defined in the British North America Act, education is under the exclusive control of the provinces, the federal government's interference being justified only in cases where the minority rights would be at stake.

It is a pity that the federal government, of whatever political colour, did not act more often to enforce the rights of the minorities in provinces other than the province of Quebec, so that these minorities would get

fair treatment similar to that given the English minority in the province of Quebec. The federal government's intervention would have been justified in such a case, and it might have prevented this nationalism crisis which affects the whole of Canada today. This would have been the only possible condition for the federal government intervening in the education field, and not the introduction of this legislation which is bringing up again the matter of the minorities' privileges and rights.

No, Mr. Speaker. Since the last war we have been witnessing a continual intrusion in the provincial fields on the part of the federal government. On a pretext of war urgency, provinces have been asked to yield their rights. They agreed to do so because those rights were to be returned to them as soon as the war would be over, but since then, the federal government has refused to reconvey those rights to the provinces.

That is why we are forced to consider all sorts of compromise, liable to sharpen the nationalistic requirements of those who have had enough of being dealt with unfairly by the federal government, whatever party is in office.

Mr. Speaker, the principle of responsibility-sharing is not admissible and unfortunately, I cannot support the argument that a department of education should be established in Ottawa at the present time. I am against this principle because education comes within the provincial jurisdiction. I am not any more in favour of setting up a committee on education. The present government has enough responsibilities as it is. It must solve the unemployment problem, that of the constant rise of the cost of living, the various economic problems, not to mention eastern agriculture.

Why should they now want to legislate in a field which does not concern them?

I would say to my Liberal friends, look after your own problems. You have plenty. And if you really want to promote education in Canada, be more generous to the provinces, so they can carry out the education programs they have laid out.

I respect and share the opinion of my English speaking colleagues who, in the circumstances, can easily vote for this bill, because the nine other provinces do not have the education system ours has. On the contrary, Mr. Speaker, those nine other provinces have the same culture, the same language, the same religion, while the language, culture and history of the province of Quebec are different.

We speak of respect for the constitution. When the fathers of confederation accepted the constitution in 1867, it was because they saw in it an opportunity to survive. Prior to that, there had been a separate system, which had not given good results and had not settled the problem of the two great races then facing one another. The Union Act was followed by the British North America Act, which the people of Quebec generously supported because they thought—as they still do—that it was their last hope. Indeed, the British North America Act does contain legislative provisions for the respect of the rights of minorities, of whatever race they may be.

Personally, Mr. Speaker, I will vote against that bill. It does not matter if I am the only one of my party to do so. I respect the ideas of my Conservative colleagues and I understand that they may vote in favour of that legislation, on account of the provisions for substitution payments. But basically this legislation is an intrusion into the educational field, and as long as this government does not respect education and educational freedom in the province of Quebec, I will consider it my duty to object to any legislation which it will introduce.

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, after having heard the firm speech of the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) who is an eminent expert in constitutional law, I find it extremely difficult to speak in favour of the bill concerning student loans.

However, I will try to bring to the debate the contribution of the head of a family whose three children are attending university. I met him yesterday morning and asked him what he thought of the joint statement made by university student groups. He replied: "Those children are unaware of the problems of the head of a family who is racking his brains to pay the university studies of his children."

Then, of course, a father does not see the problem in the same light as an expert in constitutional law. The hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) is, however, fully justified when he insists on the rights of Quebec in that field, and I heartily approve him.

I also know, however, that certain pedagogues disagree somewhat on educational matters with experts in constitutional law.

For instance, I remember reading not so long ago a speech delivered by Mr. Trefflé Boulanger, of Montreal, one of the most

prominent pedagogues of the province of Quebec, where he advocated the establishment of a federal department of education, precisely for the following reason: "Because, he said, there are over 1.5 million French Canadians in other provinces, and such a department would help them to preserve their language." This is one of the major problems in Canada and it might be one of the basic reasons put forward by those who advocate the secession of Quebec, because they see that their fellow citizens in the other provinces are losing what they are the most attached to, namely their language and often their faith.

But today, as a member of the federal parliament, I must also think, without forgetting my Quebec fellow citizens, about that million and a half of my compatriots whom I visited on some occasions in the various provinces of Canada, and whom I want to support and assist.

I know that this legislation will certainly help them to become Canadians on an equal footing with our English speaking compatriots. I feel that those compatriots have the right to go to the university and to improve their minds, and this legislation will certainly benefit them. That is why if, in theory, I have reasons to be against that kind of violation of the constitutional rights of Quebec, all the same in practice I am in favour of this legislation which will enable thousands of my compatriots in other provinces—and I mean French speaking and English speaking Canadians—to continue their studies at the university.

About that matter, in particular, I would like to read to the house a statement made by Hon. Mr. Lesage. According to the Quebec city newspaper *L'Événement,* he said to the Prime Minister of Canada and the provincial premiers:

> —the only way to solve the problem was for the federal government to give back to Quebec fiscal compensation which will equal the amounts spent to reimburse the interest on student loans made by banks and other institutions, taking into account the relative proportion of the Quebec population.

In my opinion, the letter and the spirit of the legislation seem to be consistent with that statement at the present time.

Now, I should like to deal with a point which was raised yesterday by the Minister of Finance (Mr. Gordon) and stressed by other speakers who preceded me, but I want nevertheless to refer thereto, because it is a statement that surprised me enormously,

[Mr. Côté (Chicoutimi).]

coming from a financial expert. I heard the Minister of Finance say that banks lend only the money of their depositors.

I think that he made a slip, because certainly he would not have made such a statement. In my opinion, he is a very responsible man who is quite familiar with the chartered banks act. At all events, may I quote from page 1088 of the Canada Year Book for 1962, which says:

> —the central bank can determine within broad limits the total amount of chartered banks assets and deposits—

This is the important point.

> —but leaves the allocation of bank credit and other forms of credit to the private sector of the economy.

What does that mean? It means that any allocation of credit in Canada is made through chartered banks. On the other hand, I might also quote, for instance, one of the great economists that several members of the house certainly know, namely Mr. Paul Samuelson who, in his book entitled "Economics", says on page 204:

> Credit establishments or commercial banks are the only organizations able to supply bank money or script money that can conveniently be used as payment instruments. Such is their main role and function.

And on 221, the same great economist, Mr. Samuelson, goes on to say:

> The bankers say: We can only invest the money that our clients leave with us. We create nothing. We only put to work the savings of the community.

Mr. Samuelson declares that the bankers who support this argument are completely in error.

I think that Mr. Samuelson uses the words "are completely in error" because he is very polite, for there are other words to say that.

Perhaps, I could quote a hundred other utterances to prove to the Minister of Finance that bank credit is really created by the chartered banks, and that they do not simply loan their clients' savings. I could also quote economists, bankers, professors, financial analysts from various countries of the world to support this argument.

Of course, it is unthinkable that such a statement should have been made by the minister, but, as I have said a while ago, it is surely a slip of the tongue.

I noticed that in his opening remarks the minister congratulated certain organizations which have already granted loans to students throughout Canada. Here I want to point out that he may not be aware of what we succeeded in doing in the province of Quebec.

I would like to mention before all hon. members the wonderful work done by the St. Jean Baptiste society of Quebec which created, almost 15 years ago, what is called the student loan of honour. Several million dollars have already been loaned to students by that organization in the last 15 years. It all started in Montreal and then spread throughout the province of Quebec. I, myself, was the founder and administrator of one of those student loan funds, and I am very glad to take this opportunity to commend the St. Jean Baptiste society of the province of Quebec for their wonderful work in that field, which permitted thousands of students to continue their university studies.

Neither should we forget the work done by the Artisans society which also created special loan funds for students, and those loans of honour are without interest. That is much better than what we proposed to do under this bill. Loans without any interest at all. Students repay only the amounts loaned on their honour and, up to now, results have been wonderful, since there have been practically no losses.

I should also like to take this opportunity to mention the work done by the l'Assomption society in Moncton, New Brunswick, which, through the modest contribution received, made it possible to educate, in Acadia, a whole elite perhaps which was able to take advantage of scholarships given to students in this area of our country.

Another thing I note here is that obviously, in this bill, the minister, just as in the case of several other bills, will once more take money out of the national treasury or the consolidated revenue fund. It is wonderful, I think, to have this inexhaustible source where we can always get capital. It seems that it is always there. However, the taxpayers should not forget that they are the ones who are constantly called upon to replenish the federal treasury, because it is fed through the most odious means possible, that is tax increases.

There are other solutions and we have advocated them in this house on many occasions. The Minister of Finance, who is an extremely intelligent man, is familiar with those proposals, because the hon. member for Red Deer (Mr. Thompson)) has asked him questions which have remained unanswered until now. For instance, he pointed out that certain financing operations are carried out through the Bank of Canada at present. Since that seems quite certain, I wish to congratulate the minister for having taken the initiative of allowing the Bank of Canada to finance certain government expenditures or outlays.

I should like to quote also a prominent economist, Mr. Samuelson, who said that certain American economists are asking for what we, in this group have been advocating for 30 or 40 years, as can be seen on page 211 of his book entitled "Economics":

> A substantial group of American economists are advocating nowadays a radical reform of the banking system which would bring back a system of 100 per cent liquid cover on all deposits at call. That would be the only honest system in which banks would not be creating new money for their profitable purposes, usurping at the same time the royal prerogatives reserved to the government under the constitution. Finally, that would be the only neutral system, in that the banks would not create money during boom periods, thus adding fuel to the fire of inflation and would not reduce the offer of money during panic or depression periods, thus increasing deflation, bankruptcies and unemployment.

I know that since we gave so many explanations, several hon. members sitting on the government side are in favour of taking over of the royal prerogatives by the federal government, and that is becoming increasingly necessary and urgent. I think that before long the government will recover the royal prerogatives which should never have been conceded in any way to chartered banks.

Mr. Speaker, those are the few observations I had to make on this bill which I think will relieve many family heads who are faced with the nightmare that is for them the financing of their son's education.

Now, this new legislation will enable our children to achieve a higher education.

[*Text*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my good friend the hon. member for Chicoutimi (Mr. Côté) opened his remarks by saying that he was going to speak from the practical knowledge of a good friend of his who was the father of three students within the age group that might benefit by this legislation, and he contrasted himself in this respect with the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) because he said that this hon. member had spoken as an expert on constitutional law. I am torn between the two roles, Mr. Speaker. I have three children of the age of university students, who may be in serious need; I do not know. The regulations have not been published yet, so I am not sure how needy you

have to be. I do not intend to speak on that point of view, however practical it may be, but rather as one who has had some experience of constitutional law and is much concerned by what I believe to be very grave defects that may destroy the effectiveness of this particular legislation.

I do not propose to repeat the qualified approval of this bill that was expressed by the hon. member for Burnaby-Coquitlam (Mr. Douglas) and by the hon. member for Vancouver-Kingsway (Mr. Webster). I agree with what they said, and I adopt what the hon. member for Vancouver-Kingsway said, that the bill merits support on the theory that half a loaf is better than no bread. But as I have said, I fear that the effectiveness of this bill is seriously jeopardized by certain technical and constitutional defects. The matter has already been referred to in the house by the hon. member for Burnaby-Coquitlam and the hon. member for Digby-Annapolis-Kings (Mr. Nowlan). Since they referred to this matter I have had the opportunity to give consideration to the constitutional problem involved in the bill as it is at present drafted, and I would like to give a warning to the government and to this house that I think there is a very great doubt whether the bill as at present drafted may not totally fail because of technical and constitutional defects.

I am not dealing with the argument that has been presented, that because the bill deals with education, the provisions of section 93 of the British North America Act bring its subject matter within the exclusive jurisdiction of the provincial legislatures. On that matter I may say that I found the arguments of the hon. member for St. Lawrence-St. George (Mr. Turner) quite convincing and I do not propose to add to them or to discuss the matter further. But the real difficulty lies in the fact that the key provisions of this bill delegate to the lieutenant governors in council of the various provinces, under clause 2(b) and (k), the duty to designate appropriate authorities to issue certificates of eligibility for loans under the act and also to designate institutions of learning that are qualified to give courses in respect of which loans are to be made available.

In other words, Mr. Speaker, the key questions of what students are qualified by need and by satisfactory scholastic standing and what institutions of learning fall within the purview of the legislation are to be determined, not by this legislation itself but by such persons as are authorized by the provincial cabinets, the lieutenant governors in council.

Let me make it abundantly clear that I am not objecting to the substance of this division of responsibility. What I question is the legal power of this parliament to delegate such power to the lieutenant governors in council in the absence of provincial legislation vesting that power in the lieutenant governors in council. I will spare the house a lecture on the constitutional and legal questions involved. I have been counsel in some of the leading cases on this subject and I have a nodding acquaintance with the technical problems involved. It will perhaps suffice, in order that this matter may be fully looked into, to say that the Supreme Court of Canada decided in the Nova Scotia interdelegation case in 1951—anyone interested can find it in the 1951 Supreme Court Reports—that interdelegation between the dominion parliament and the provincial legislatures was unconstitutional. I agree that this case is not the same as the present case, in that here we have, not an attempt to delegate from the parliament of Canada to the legislatures of the provinces, but an attempt to delegate from the parliament of Canada to the provincial executives. But I think the same principle is applicable to both cases.

It is a well recognized fact that parliament can delegate powers to a subordinate agency, but the lieutenant governor in council is in no sense a subordinate agency of this parliament. His duties are defined by the British North America Act itself. I see the hon. member for Brant-Haldimand (Mr. Pennell) making notes. He might be interested to know that the duties of the lieutenant governor in council are defined in section 65 of the British North America Act. It would, as I say, be possible to delegate to a subordinate agency, but by no argument can the lieutenant governor in council, under the powers granted to him by the British North America Act which are quite independent of the powers of parliament, be considered a subordinate agency.

Another thing that I recognize as possible is for the parliament of Canada to delegate authority to a provincial board or body upon which power has been conferred by provincial statute. Once again I refer my hon. friend, who I think is particularly interested, to the Prince Edward Island potato reference case found in 1952 Supreme Court Reports, where it was made clear that this parliament had the right to give to a marketing board set up

and authorized to receive powers by provincial legislation the power to administer federal legislation. That power is all right, but so far as I know no provincial statute is in existence authorizing the lieutenant governors in council to receive or exercise the powers and duties imposed upon them by the legislation we are now considering.

I have no doubt that the governments of the provinces would be very happy to invite the legislatures of their respective provinces, if they are going to avail themselves of this scheme, to pass the necessary enabling legislation, but that hardly seems practicable at the present time. I have no doubt that the minister and the house are anxious that clear and full authority should be given so that this scheme can go into effect in the next scholastic year. I do not suppose that the legislatures of the provinces are going to be in session before that time. Therefore they will not be able to confer this power, and without it I repeat that there is very grave doubt whether this parliament can impose a duty upon the lieutenant governors in council which has not been imposed by the legislatures of the provinces themselves.

I suggest that a solution might be to amend the present provisions of the bill and confer the power to designate authorized institutions of learning on the governor in council, upon nomination or recommendation of the lieutenant governors in council. In that case the actual appointment would be made by an agency subordinate to this parliament. I do not speak disrespectfully of the governor general in council when I say that agency is subordinate to this parliament. That I think is well recognized. While the actual appointment would be made by them the real choice, the decision, would be made by the provincial authorities, and the rights of the provinces with regard to education would be preserved and recognized in this way.

I hope the government will give serious consideration to the suggestion I have made. Personally I do not believe that the unsupported statement that the Department of Justice thinks it is all right is good enough authority for this house. This is not the occasion for me to express my views about the Department of Justice. I will have occasion to do that, I hope, before too long and my views may not be too kindly. However that may be, I say that this house deserves something more than an unsupported statement by the Department of Justice, if it is to be brought forward as justifying this particular legislation.

I say to the house that it would be a tragedy —worse than a tragedy, criminal negligence— if by reason of some technical or constitutional defect students who are anticipating these loans were deprived of the loans. I am not saying that this technicality cannot be overcome. I believe it can be; but I do say if it is not, if doubt is left on this score and as a result some students do not receive loans, it will be a tragedy and an unnecessary deception and arousing of expectations of the young people we are all, I am sure, seeking to aid by this legislation.

The government may well be able to bring forward a convincing argument to offset the opinion I have expressed. I claim no more infallibility than the Department of Justice, or perhaps much less. But I should like to see their answer to my opinion and if it is a convincing one perhaps we can proceed and deal with this legislation as it is. On the other hand, if the government is not assured that the difficulties I have raised are without substance, then I suggest it has a duty to consider seriously the amendment I have suggested and either bring it forward itself, or we will bring forward an amendment and the government can adopt it.

I should like to point out that our objective in bringing up this matter is not to slow down or discredit the legislation. It is exactly the contrary. We have stated that we think there are shortcomings in the legislation, but we are most anxious that the proposals of aid should be as effective as they possibly can be. It is usual, I have no doubt, for the government to look upon suggestions of this sort from members of the opposition with scepticism and a degree of suspicion, but I want to assure them that while, as I say, they may find the answer to the problem, they should give rather serious consideration to it in order that the students of this country shall not be deceived by the defects for which this parliament and this government would be responsible.

Mr. Pennell: Would the hon. member permit a question? Is he prepared to wait until the debate has progressed further? In the meantime, we will give very serious consideration to the proposal he has put forward. There might be further constitutional points raised and I ask the member if he would be content if we were to reply later in the debate?

Mr. Brewin: I am quite satisfied to do that. The reason I made the suggestion, and the reason I intervened fairly early in the debate,

was for the very purpose the parliamentary secretary suggests, that there may be consideration given to the point, so that it may be dealt with. I am quite satisfied that that be done, and to learn that we shall hear at some time from the parliamentary secretary.

Mr. Grant Deachman (Vancouver Quadra): The University of British Columbia lies within my constituency of Vancouver Quadra. Last fall 13,600 students registered there for the winter session. This is in addition to any who may have registered during the year for night sessions or summer sessions. This figure represents approximately 10 per cent of the winter enrolments of all Canadian students in this single institution. It is second only to the University of Toronto in the enrolment of English speaking students in Canada. The report of the president, Dr. John B. MacDonald for 1962-63 shows that 9,000 of these students come from homes in the lower Fraser valley and Howe sound sections of the greater Vancouver area. A minimum of 4,600 students therefore come from the outside area and must find accommodation at or near the university. Of course some students from the perimeter of the greater metropolitan area prefer to live on or near the campus, so it is safe to say about 5,000 or more students at the University of British Columbia must find board and room either on the campus or in private homes nearby.

It is anticipated the enrolment in British Columbia beyond grade 12 will more than double during the period of the sixties and will be 37,000 by 1971-72. While Victoria University and the junior colleges of the province will take an increasing number of students, the trend is toward 10,000 students rooming and boarding in the University of British Columbia area in my constituency by the end of the decade. It is for these reasons I want to speak today in this debate.

For the most part, these students come from modest circumstances. Some indeed are poor. They must find every dollar of their university education. Some fall out for a year to earn enough money to continue their education, and some of these never make it back. Some are under great pressure at home to abandon their studies in order to contribute to the meagre earnings of their families. These stories are common on every large campus throughout Canada.

The calendar of the University of British Columbia for the 1963-64 session gives us the basic figures for fees, room and board. From these we can construct the cost of going to university. The University of British Columbia compares with the level of other major campuses throughout Canada. The university has accommodation on campus for 1,256 male and 750 female students, or approximately 2,000. By doubling up, I think this is increased to about 2,500 students. They occupy quarters ranging from ancient and leaky army huts to fine new brick dormitory buildings with adjacent common rooms and cafeterias. They pay from $472.50 to $630 a session, which is approximately eight months, for board and lodging at the university. Off campus prices for board and room in the neighbouring community are approximately the same, ranging from $65 to $80 per month. Student fees vary with the courses from $346 for arts and science students up to $551 for medical students. In addition, each student pays a $24 alma mater fee and other small club fees. Books and equipment vary with the course and sometimes can be purchased second hand. But a sum of $50 is about rock bottom for books, with applied science and medical students paying two or three times as much each year.

Now, add these all together and we have board and lodging from $472.50 to $630; fees, including the alma mater society from $370 to $575; and books from $50 to $150, with totals ranging from $892.50 to $1,355. Add to this a sum for clothing, medical insurance, sports equipment, transportation and miscellaneous expenses and you will see that the most frugal student in the cheapest course, eating porridge for breakfast and beans for dinner, could hardly get by on $1,200 a session, while $1,800 would cover no more than the essentials for a medical student. To a student earning his or her own way, this means that $1,200 to $1,800 hard cash must be found each year for a minimum of four years. A working student must, therefore, save money at the rate of $300 per month or better in the summer months, often while living away from home, in order to return to university in the fall. In fact, this is an almost impossible assignment. Most students have some assistance from their parents or from bursary, scholarship or loan fund. Were it not for these, they would not be at university.

In 1959, a scholarship plan was introduced in British Columbia by the provincial government. It undertook to pay half the fees of the students with first class honours and one third of the fees of the top 2,000 students with second class honours. The province also

authorized the University of British Columbia to borrow up to $2 million for a student loan fund. Special student funds were also set up to encourage teacher training. The total of provincial assistance was $360,554, exclusive of the university loan fund. It gave assistance to 2,972 students.

On the basis of total student enrolment this represented assistance at the rate of $22.91 per student in British Columbia. On that basis in the same year Newfoundland aided total students at the rate of $109.90. Alberta was next with $107.89 and Quebec with $105.90. Ontario was a poor show at $69.76, but still three times better than British Columbia. We stood in eighth place in that year, 1959. In all the comparative statistics which the Canadian universities foundation presents on this subject, three provinces lead all others by a mile in their efforts to aid students. They are Quebec, Newfoundland and Alberta.

If I may sum up, the province of British Columbia has aided about one quarter of its university students in recent years through scholarships and bursaries, or what are sometimes called money for marks programs. The average assistance per student under these provincial grants is about $126. Spread over the eight months of the university year, this amounts to about 50 cents a day for the bright student who is able to qualify, and that is not enough money to buy a pizza.

While the provinces have been increasing the amount of assistance they have given to students in recent years, it is still small potatoes and few to the hill. British Columbia which I cite because it is my home province, is no better or worse than other provinces. Support for universities and university students is not the favourite cause of provincial politicians. In British Columbia if you stand still they'll pave you; move and they'll award you a construction contract; study and they'll raise your fees.

We should clearly understand that Canadian university students are appealing to us for federal help because their provincial governments are only moderately interested in their welfare. However well the provinces may have met the challenge of educating Canadians through primary and secondary schools, they are a flop by North American standards in providing university education.

As proof of what I say, the Canadian universities foundation has provided me with some significant figures. In the state of Washington expenditure on higher education is 1.43 per cent of all personal income. In British Columbia it is 0.20 per cent, or one fifth of 1 per cent. In New York state 1.26 per cent of personal income is spent on higher education while in Ontario the figure is 0.17 per cent, or one seventh as much. Maine spends 1.21 per cent of personal income while New Brunswick spends 0.11 per cent, or one eleventh as much.

In his book, "Higher Education in British Columbia", written in the fall of 1962, President MacDonald of U.B.C. refers to our failure to keep pace in the field of higher education in a different way:

> The number of students registered in British Columbia in 1961-62 was 14,710 or 17.7 per cent of the college age population, that is the age group 18-21. This figure compares with 12.3 per cent in Canada as a whole and 39.5 per cent in the United States.

While we in British Columbia may take a small comfort in beating the Canadian average, we as a nation can take no pride at all in the fact that Americans send proportionately three times as many students to colleges and universities. Let it continue and we must become the intellectual inferiors of Americans. We are heading for Lower Slobovia.

Dr. MacDonald goes on to say:

> Professional people account for only 6.2 per cent of the Canadian labour force; the proportion in the United States is three times as high, that is 18.6 per cent. In proportion to the size of its population, Canada employs approximately half the number of scientists and engineers employed by the United States...Throughout Canada only one half of the matriculants with 70 per cent or better go to university ...Of 100 pupils entering grade II, only nine ultimately enter university and only 6 graduate.

Dr. MacDonald then compares United States education achievement with Russia, and notes that by the end of the decade they will have twice as many engineers as the United States. If we fall behind the United States and Russia, do we fall behind any other countries? To find this out I obtained some tables of figures from the Canadian universities foundation, published by UNESCO, on education at the third level, that is institutions which require completion of a secondary school education for admittance.

These international statistics show Canada in tenth place in the late 1950's in the production of graduates from scientific and technical facilities. Here is a table showing

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the number of scientific and technical graduates for the top dozen countries:

U.S.S.R.	114,600
United States	96,509
India	70,842
Japan	27,412
West Germany	15,555
United Kingdom	10,879
Poland	10,006
Philippines	6,492
Czechoslovakia	5,774
Canada	5,609
Italy	5,202
Korea	4,602

Comparisons in this field are difficult to make and we may argue, perhaps with some validity, that our graduates are better educated, than, let us say, the 6,492 scientific graduates from the Philippines. Let us make another comparison. Norway, Sweden and Belgium are a group of countries comparable to Canada in size and culture and free of the enormous involvement in the nuclear and aerospace industries which distorts comparisons with the United States and Russia.

These little countries have approximately 20 million total population. They enrolled about 82,000 university students compared with 106,000 for Canada in 1960. They had 13,160 students in engineering compared with 15,190 in Canada, and they graduated 4,043 scientific students against 5,609 for Canada. Our standards, then, seem comparable to and perhaps even better than European standards in these respects. But these are qualitative comparisons. We need some qualitative ones if we are to assess our true position.

While we need a steady flow of bachelor graduates from our universities to staff the industrial and highly technical economy in which we live, we must also have a steady flow of master and doctoral graduates, men and women with two or three degrees to teach the oncoming students and to advance our knowledge and technology.

In the United States in 1961-62, there were 420,000 graduated with a first degree, 85,000 graduated with a second or master degree, and 12,000 graduated with a doctorate degree. My figures come from a report by the United States department of health, education and welfare. In Canada in the same year we graduated 23,000 with a first degree, 2,800 with a second degree and only 321 with a third degree, according to Canadian universities foundation figures. On this basis the United States graduates 18 times as many bachelor degrees, 30 times as many master degrees and 38 times as many doctor degrees. Put another way, the United States is producing senior scholars and scientists at a rate comparable to four times our own.

One measure of the effectiveness of a nation's scientists in fields of peaceful research is the number of Nobel prizes its scientists have won. I have taken the figures from Whitaker's Almanack for 1964 and they do not include the literature and peace awards, but only those for physics, chemistry, physiology and medicine. Since these awards began in 1901 the United States has won 50, Germany 42, The United Kingdom 42, France 16, Netherlands 11, Sweden 8, Russia 7, Austria 7, Switzerland 7, Denmark 5, Italy 4, Hungary 3, China 2, Belgium 2 and Canada 2, who were Dr. Banting and Dr. MacLeod. The latter was dean of medicine at Toronto, under whom Banting worked.

Although he was born and educated in Scotland and returned there, his award is credited to Canada. Ten other nations drew one each of the Nobel awards in science. Thus, were it not for the fortuitous presence in Canada of Dr. MacLeod we would be at the bottom of this most distinguished roster of scientific achievement.

Whatever advantage we may once have held over other nations in the field of education, we are losing it now. We are losing it quantitatively and qualitatively. We no longer produce the numbers of science graduates, doctors and research fellows to remain competitive for very long in the world of modern technology.

United States achievement in higher education has been paid for at the state level at rates far in excess of anything we are prepared to pay at provincial levels in Canada. This means we must inevitably concede intellectual superiority of the Americans if we choose not to pay for education.

Whatever we do here at the federal level to help students through university must be matched by equivalent effort at the provincial level to improve and enlarge their universities. In support of Dr. MacDonald's stirring campaign to awaken our province to the needs and goals of higher education, University of British Columbia students covered the whole province in their "Back Mac" campaign and petitioned the B.C. government with 232,000 signatures. Many people thought "Mac" went too far. He was overdoing his zeal for an educated people.

If I were to dig into the records of other provinces, I would find the same story: overcrowded universities, not enough regional colleges, shortages in faculty and staff, inadequate equipment for teaching and research, underdeveloped postgraduate schools, insufficient funds to support our most brilliant and productive scholars. This student loan program parallels a similar program in the United States called the national defence student loan program. While it is a very general program providing $1,000 a year for five years to any needy student, it has one unique feature. Ten per cent of the value of the loan and accrued interest are cancelled for each year of full time public school teaching service rendered by a student borrower, up to 50 per cent of the value of the loan. The reason of course is to encourage a continuing supply of teachers throughout the nation.

The American preoccupation with universal education of a high level has been a major characteristic of that people throughout their history and the prime factor in their success. Thomas Jefferson said: "By far the most important bill in our whole code is that for the diffusion of knowledge among the people", and he meant it. Benjamin Franklin setting out his rules for success, Lincoln in his log cabin studying by candlelight, Kennedy going down to Harvard to raid the faculty for brain-trusters—all these leaders believed fervently in the power of education to lift the welfare of the people and to increase the power of the nation, and the people in turn believed them and provided for the fullest education of their children. It has made them a great people.

I hope that in this bill we have at last caught a glimpse of that spirit. Samuel Johnson said: "Much can be done with a Scotchman if you get him young enough." I believe this is true of Canadians.

Mr. Erik Nielsen (Yukon): May I at the outset say that I am in wholehearted agreement with the purpose this bill is trying to achieve. As I said last Monday when speaking on the federal-provincial fiscal bill for which the Minister of Finance is also responsible, any measure which will contribute to placing the student population of the Yukon and the Northwest Territories on a par with their brothers to the south is welcome indeed.

I may say I am happy to see the Minister of Northern Affairs and National Resources (Mr. Laing) in his place because I intend to raise one or two points which throw some doubt on the applicability of this bill to the student population in the north. In this connection I was much impressed by the arguments advanced by the hon. member for Greenwood (Mr. Brewin), since his approach in a general sense can be equated with the criticisms I have to offer in a specific sense.

Before I deal specifically with the points I have to make, may I observe that on Monday I spoke at some length with respect to the consultation, or rather the lack of consultation between federal authorities and territorial authorities both in the Yukon and in the Northwest Territories, particularly with regard to this type of program. The very next day the minister, when he introduced this measure, said as reported on page 5443 of *Hansard*:

> Accordingly it is our expectation that students seeking loans under the Canada plan will, in each province, file applications through familiar and established channels.

He said, too, that he had invited the help of the provinces, and later that he had ascertained that all the provinces with one exception had come to agreement with him with respect to the provisions of the bill. I wonder what consultation the minister had with education authorities in the Yukon or in the Northwest Territories. I wonder how many explanations were made to those authorities by the government, as they were undoubtedly made to the governments of each of the ten provinces. I wonder if it is the minister's intention to ascertain specifically the views which pertain in those two territories. I notice that the Yukon and the Northwest Territories are lumped together in the calculation which was made when the minister presented this bill. That calculation appears on page 5446 of yesterday's *Hansard* and shows the amount as being $.08 million. It would be of assistance in my opinion if the minister were to break down this figure so as to show exactly the figure arrived at with respect to each of the territories.

The situation with regard to legislation in the territories is similar to that which arises from the operation of sections 91 and 92 of the British North America Act. There are constitutional divisions of function between the federal parliament and the legislative assemblies, or councils, if you will, of the Yukon and the Northwest Territories. This division of powers is laid down in the Yukon Act, as I am sure the minister knows, and section 16(r) of that act gives to the legislative council of the territory—a wholly elected council—exclusive jurisdiction to

legislate with respect to matters pertaining to education in the territory. If we examine the bill before the house it will be seen that its provisions refer to the provinces. Reference is made to the lieutenant governors in council of the individual provinces. Reference is made to specified additional expenditures in the provinces, and the bill refers also to provincial allocations, appropriate authorities in the provinces, and so on.

In my view there is a serious defect in this measure which may prevent its application to the two territories with which I am concerned, particularly to the Yukon. Since the Yukon legislative council has exclusive jurisdiction in matters pertaining to education and since the minister, in the quotation to which I referred in his speech yesterday, calculated an allocation of a portion of the $40 million which will be required for the first year's operation of this plan as far as the Yukon is concerned, it would seem that it is the government's intention that the student loan fund provisions should apply to students in the Yukon and the Northwest Territories as well as in the ten provinces of Canada. I presume that is the intention of the legislation. If the bill is examined in detail it will be seen that reference is made in clause 2(b) to the appropriate authority. It is stipulated that the appropriate authority for a province means—

> —such person, body or authority as may be designated by the lieutenant governor in council of that province as the appropriate authority for that province for the purposes of this act.

I realize that the usual argument might be advanced here that a "province" is defined in the Interpretation Act, and therefore it is applicable to the territory. For the purpose of the record I think I might read that definition from the Interpretation Act. Section 35(24) of the Interpretation Act sets forth that—

> —"province" includes the Northwest Territories and the Yukon Territory;

To my mind, however, there is a distinction between "legislature, legislative council or legislative assembly" as defined in section 35(13) of the Interpretation Act, and "executive council", which phrase is used in section 35(15) of the Interpretation Act. The bill places certain delegated authority in the hands of the lieutenant governor of a province. The Yukon has no lieutenant governor, so we go to the Interpretation Act and find that "lieutenant governor in council" is defined by subsection (15) of section 35 as—

> —the lieutenant governor, or person administering the government of the province indicated by the act, for the time being acting by and with the advice of, or by and with the advice and consent of, or in conjunction with the executive council of such province.

I may be wrong when I come to the conclusion that "executive council" means, in effect, the cabinet of a province. The Yukon has no cabinet because it has not developed to that stage of responsible government. So that when we attempt to conclude that the phrase "lieutenant governor in council" as used in Bill No. C-110, the measure before us, is the same thing as saying "the person responsible in the Yukon Territory for the administration and government of the territory", to paraphrase, we find we are unable to do so because of the existence of the phrase "executive council" in section 35(15) of the Interpretation Act. Because it would mean that the minister of northern affairs or his delegate, the commissioner of the Yukon, will have to act by and with the advice of, or by and with the advice and consent of, or in conjunction with the executive council. In fact, the only legislative authority that is passed to the Yukon Territory by the Yukon Act is the power of the elected council exclusively to pass laws with respect to education by the well understood device of the commissioner acting by and with the advice and consent of the legislative council of the territory.

My point here is that by using the phrase "lieutenant governor in council" in this bill, the bill excludes the operation of its provisions with respect to the Yukon Territory. I think this is a serious defect. I think that if the bill is to apply to the Yukon—and particularly the Yukon, because I have studied the situation there, whereas I have not particularly studied that of the Northwest Territories—then it must be clearly spelled out. As I have said, we have no lieutenant governor in council in the Yukon, and I submit we cannot by any stretch of the imagination apply the provisions of the Interpretation Act to cure it.

Another serious defect in the bill results from the fact that there are no institutions of higher learning in the Yukon Territory or in the Northwest Territories. The maximum degree to which education can be taken in the Yukon is up to grade 13. Many of our students on leaving high school with senior matriculation attend the University of Alaska.

Yet I am in some doubt whether the provisions of the measure before us include the University of Alaska, in one of the states of the United States of America. For instance in clause 2(k) "specified educational institution" is defined as meaning—

—an institution of learning, whether within or outside a province—

If those words "outside a province" can extend to mean "outside of Canada", then my point may be groundless. But I have some fears that the intention of the bill does not go that far.

Again in clause 10 of the bill, where it speaks of "a certificate of eligibility", the bill sets forth that—

—the appropriate authority for a province may issue or cause to be issued a certificate of eligibility to a qualifying student for an academic year.

It is my submission that, based on the constitutional defects which I submit exist, it may well be that in this case we arrive at the anomalous situation where the Minister of Northern Affairs and National Resources (Mr. Laing) must issue or cause to be issued a certificate of eligibility under clause 10 of the bill. Since there is no lieutenant governor in council in the Yukon, and since the provisions of the Interpretation Act do not apply, in my submission, in this instance because of the use of that phrase we must fall back on the minister of the federal government who is responsible for administering the affairs of the Yukon Territory, and I am sure that is not what is intended by the provisions of the bill.

Even if you arrive at that conclusion, Mr. Speaker, it would seem that the minister is precluded from acting. Indeed, I would submit the bill would go so far as to preclude his delegate, the commissioner of the Yukon, from acting under the provisions of the bill by the very terms of section 16(r) of the Yukon Act, which resides the exclusive jurisdiction to legislate on matters pertaining to education in the commissioner in council of the Yukon Territory. So whichever way you turn and look at this problem, you come back to the fact that the wholly elected legislative body in the Yukon has exclusive jurisdiction; and yet the use of the phrase "lieutenant governor in council" in the bill before us would purport to expand jurisdiction which does not exist so far as the Yukon is concerned.

When the minister replies to the remarks which have been made I would be grateful if he would clarify the points which I raise here and would reassure me that he has received advice that there is no constitutional problem in so far as the applicability of the provisions of this bill are concerned with respect to the Yukon and Northwest Territories. I should like to say that the hon. member for the Northwest Territories (Mr. Rhéaume) would have been here to speak on the measure himself had he not been called away to visit personally the Pine Point mine. He has now embarked on this rather long journey.

I think a worth-while point to be made here is that the hon. member for Vancouver Quadra (Mr. Deachman) who immediately preceded me in the debate, mentioned that British Columbia, Quebec and I believe Newfoundland had the most advanced provisions in all of Canada with regard to assisting students through institutions of higher learning. However the minister of northern affairs knows, if the Minister of Finance does not, that in the Northwest Territories there have been in existence for some time provisions whereby a student upon leaving secondary school can obtain a loan of up to $1,500 throughout the term of his or her attendance at university; and, subject only to the provision that such student in receipt of such loan shall return to the Northwest Territories and reside there for four years, the loan becomes an outright grant. It seems that this perhaps would have been a desirable objective in legislation of this kind, although I can just imagine the enormous cost that it would result in. But this legislation in the Northwest Territories is very far reaching indeed because it provides for a workable plan which stimulates an interest in obtaining higher education among the students in the Northwest Territories, and in addition provides an incentive to qualified university graduates to return to the Northwest Territories and assist in creating there a highly educated and permanent population.

One speaks of the drain of brainpower to the United States. Would not some sort of incentive—this, after all, is a federal creation in so far as the Northwest Territories are concerned; certainly the great proportion of the money to support the scheme comes from the federal treasury—if provided in a bill such as this, help to prevent that drain of brainpower? The loan of $1,500 per year for any student in the Northwest Territories wishing to attend university becomes an outright grant if the student, after graduating, returns to the territories and lives there for at least four years. A similar plan has existed for many years in the armed forces.

With those constitutional arguments and with the request to the minister to reassure me that my fears in this respect are unfounded, I do not intend to pursue the matter further. I would request that he put the points I have made to him to the law officers of his department or to the law officers of the Department of Justice, so they may assess them and assure the educational authorities and the legislative assembly in the Yukon, and the people of the territories generally, that the bill before us applies in the same manner and to the same extent to the territories as it does to the other ten provinces of Canada.

Mr. Ron Basford (Vancouver-Burrard): Mr. Speaker, most speakers in this debate have mentioned that they have within their riding a university. I am not in a position to claim that honour, not having any university located in my riding; but I think I can with some accuracy describe my riding as something of a bedroom for the University of British Columbia, in that a great many of the students there do live in my riding, particularly those students who are married, with children, and are going back to school later in life. These people, who are living in my riding in converted basement suites and upstairs rooms, will probably get the greatest benefit from this bill of any class of university student.

Perhaps one of the greatest upheavals, or greatest developments in education in Canada occurred after the second world war with the enactment by a former Liberal government of the veterans charter. Under the veterans charter thousands and thousands of returned veterans who had been deprived of the chance to continue their education by the depression and the oncoming of war were given the opportunity of entering civilian life by going back to school and university. I am sure there are many members in this house today who took advantage of the provisions of the veterans charter. We all know doctors, lawyers, accountants and school teachers who became such because of the veterans charter.

Today we are dealing with a new generation, one which fortunately, I am sure we all believe, has not had to put on the uniform of our country and go to war in defence of Canada; but a generation which nevertheless, in the interests of themselves and in the interests of the nation, needs to have the fullest opportunity of acquiring the best possible education they can get. In Canada we we have long recognized the value of free public education, and in fact required by law that everyone who is capable must be educated to a certain level. It seems to me tragic and illogical that at the very age when continued education and training would be of the greatest benefit, not only to the individual but to the nation, we abandon the concept of free education. Surely it is self-evident to everyone that to leave untrained and unlearned a mind that is capable of training, capable of learning, is the greatest possible waste that we can imagine. And there is waste. Of the over one million people in Canada between 18 and 25 years of age, as the hon. member for Burnaby-Coquitlam (Mr. Douglas) pointed out the other day, it is estimated by educational authorities that approximately one fifth are capable of going to university and acquiring or absorbing a university education. However, at the present time approximately only 11 per cent of that group are registered in Canadian universities. Therefore the talents of at least half of our most capable young people are not being fully utilized or developed.

The bill that we have before us today provides, as hon. members know, that in the first year $40 million in loans shall be made available to students in amounts of not more than $1,000. These loans shall be interest free until seven months following graduation, or when the student is no longer a full time student, and are to be repayable on a five to ten year basis. This was described by the right hon. Leader of the Opposition (Mr. Diefenbaker) the other day as falling far short of what we had said we would do in the last election campaign. This, to me, is only the first step in what we intend to do and want to do in the field of education. It might fall far short at the moment of what we said we would do. I do know however that it goes $40 million beyond what his party did for five years while they formed the government.

This bill is assured, surely, of easy passage through this house. This easy passage has been assisted by the work of the officers of the Canadian union of students who, I think, have become familiar figures around parliament hill during the last few months in talking up the case for university loans. I was happy to make the acquaintance of their former president, David Jenkins and their executive assistant Paul Williamson. All I can say is that the students of Canada are well served by the officers of the Canadian union of students. While I was a student I often mildly objected to the fees we had to pay to what was then the national federation

of Canadian university students, which is now the Canadian union of students. As a member of parliament I now see the value of those fees that students pay to their national association.

Because of the easy passage that I think this bill will receive, I do not want to fill the record with a great many figures; but I would like to put one or two on the record, simply to show the need and value of this type of loan program. It has already been said in this debate that the average undergraduate costs per year in Canada run between $1,196 and $1,550, with an average of somewhere around $1,400 per year for a student to go to university. While we in Canada have the phenomenon, which is not common in many other countries, of students working during the summer, the dominion bureau of statistics latest survey shows that the average annual summer savings of students is $507. It is therefore quite obvious that a student has to make up this large gap in order to afford his university education either from a scholarship or loan program, and by assistance from parents or family.

It is obvious to me from these figures that if we are going to provide to all Canadians the opportunity of acquiring a university education, we need this program very badly. If we are going to have equality of opportunity, we cannot leave it any longer simply to students to rely for a substantial part of their income upon their families and parents. If we are going to leave it as it was, many people in Canada are going to be deprived of an education and the opportunity to realize their talents to the full.

The hon. member for Burnaby-Coquitlam (Mr. Douglas) mentioned yesterday—it seems that his speech writer and I read the same material—a survey made by the University of Toronto advisory committee on ex-service students entitled "The Veteran at Varsity", which survey shows that of the normal student population 20 per cent came from the homes of industrial workers, but in the veterans group after the war this figure rose to 32 per cent. In other words the veterans charter program brought about a 12 per cent increase in the number of students from that group of the population whose sons and daughters normally do not attend university. The loan program we are enacting today will have the very same effect as the veterans charter program did in encouraging the sons and daughters of industrial workers to go to university and complete their education.

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People generally often think of the doctor's son and the lawyer's son going to university, but if we are going to realize the talents of Canadians fully, if we are going to have full equality of opportunity we have got to start thinking of the carpenter's son and the plumber's son going to university. I suggest that this program will make this possible, as was demonstrated by the University of Toronto survey with regard to the veterans charter program. That program was implemented by a grateful nation in recognition of the service of those young people who went to war for Canada. I hope that this loan program is simply the first step in the implementation of a civilians charter, as the act of a wise and prudent nation realizing that it is in our own best national interest to see that everyone who is capable of acquiring training and knowledge has the fullest opportunity of doing so.

There is one important aspect of the bill to which I should like to make specific reference. You will note that in the bill there are no residence requirements, except for the fact that the student must be a Canadian citizen or be resident in Canada for one year with the intention of residing in Canada after he ceases to be a full time student.

I am sure there are probably smallminded people who think that there should be some provincial residence requirement and that if, for example, someone is going to borrow money in British Columbia from the provincial allotment of some $3 million he should be a resident of British Columbia. I could not disagree more with this sentiment. I would suggest to the Minister of Finance (Mr. Gordon) that in drawing the regulations pursuant to the act he specifically forbid the implementation by provincial authorities of any provincial residential requirement.

I suggest that university education must be looked at nationally and there is no room for narrow provincialism in this field. In this regard a former president of the University of British Columbia, Dr. Norman A. M. Mackenzie, had this to say, and I want to put this quotation on record because I think it is a valuable one:

> The work of the universities does not end at the provincial boundaries either in its scope or significance. In each of the larger universities in Canada there are students from all the provinces. In some cases the students from other parts of Canada constitute as much as one third of the total enrolment. Similarly, the graduates of the universities are distributed over the entire country. Anywhere from one fifth to more than one half of the graduates of particular institutions live and work in provinces other than the one in which they received

their education. University graduates are one of the most mobile elements in the working population and comprise a source of skilled and educated personnel which is available to the nation as a whole. It is well known that the university trained personnel which are needed by governments and by national businesses of all kinds are recruited from every part of the country.

Therefore I repeat to the Minister of Finance that in the regulations under this legislation the provinces must be forbidden from setting up any provincial residence requirement. If we are going to utilize our facilities in Canada, students, as former president Mackenzie said, must be free to move about the country and acquire the best possible education. It is silly to think that in Canada we can build in each province first class institutions of higher learning in every conceivable subject and technique. Students from British Columbia, for example, must be free to go to Montreal for advanced medical training. I would hope there would be students from other parts of Canada who would want to come to British Columbia to study certain specialized fields there.

One of the first acts of the Minister of Agriculture (Mr. Hays) was to assure the construction of a veterinary college in western Canada to serve the four western provinces. Students from Manitoba, Saskatchewan, Alberta and British Columbia must be free to move about and able to apply for loans in order to go to that veterinary college.

I listened with great interest yesterday to the hon. member for Burnaby-Coquitlam and some of the objections he raised to the bill. I realize that the leader of the New Democratic party is always in a difficult position when the government brings in good legislation. He wants to agree with it but he always has to find something wrong with it. He raised yesterday what I suggest is a red herring in saying that under the provisions of this legislation students would have to go to the banks in order to obtain a loan. This is simply an example of the leader of the New Democratic party desperately searching in an effort to find something wrong with the bill.

As the Minister of Finance pointed out at the time, he felt that the banks would want to establish commercial contact with students and would be anxious to comply with and participate under the provisions of the loan legislation. The hon. member for Burnaby-Coquitlam scoffed at this suggestion, but I suggest that the point made by the Minister of Finance was well taken. Surely the interest of the banks in establishing commercial relations with students is demonstrated by the fact that they try very hard to open branches on the university campuses across Canada. I know that at the university I attended they rented space on the campus direct from the university, and they were forever soliciting us to open accounts there in order to establish commercial contact with us.

Surely the interest of the banks is demonstrated by the fact that they advertise very widely in university newspapers and other publications by means of advertisements written in language to appeal to university students so they can get them as customers.

It seems to me there is another point the hon. member for Burnaby-Coquitlam missed in dragging this red herring into the debate on the bill. In the budget speech on March 16 the Minister of Finance made it very clear that the provisions of the proposed student loan legislation would be such as to establish a system under which students would get loans from the banks which would be guaranteed by the government. I should like to repeat what the minister said at that time, as found on page 982 of *Hansard*:

I believe these loans to university students can be provided most conveniently and efficiently through the chartered banks with their widespread facilities all across the country. We want to enlist the co-operation not only of the banks but through them of the university authorities in order to ensure that all loans are made to full time students capable of proceeding to a degree and in need of financial assistance to carry on their studies. The government is prepared to guarantee these student loans; there are good precedents for such an approach in our other legislation. No interest would be payable by the student during his years of study.

I am sure that the Canadian union of university students, the organization that looks after the interests of Canada's university students, read the budget speech on March 16, are aware of that paragraph and have had notice of the fact for some months that this was the intention of the legislation.

They have not made a complaint. In fact, as all hon. members know, only a few weeks ago a few of us organized a meeting in the building here at which students could present their views to us. They made no objection to the fact that this legislation used the chartered banks as lending institutions. If they have no objection, I think that the objections of the hon. member for Burnaby-Coquitlam (Mr. Douglas) are really unfounded and, as I suggest, simply a red herring used by a man who wants to find some objection to what is good legislation.

I listened yesterday also with great interest to the arguments put forward by the hon. member for Lapointe (Mr. Grégoire) that this bill is unconstitutional. I simply want to say that I am unimpressed by these arguments. The people of my province want to see provided for their children the best possible educational opportunities, and to do this they are going to need help from the government of Canada and from the parliament of Canada. I personally, and I speak as an individual, am looking to this parliament to provide British Columbians and Canadians generally with the fullest opportunity for graduate and postgraduate schooling.

In order to do this, we must have a strong central government. I am becoming alarmed at the constant attempts we see here to whittle away the power of the central parliament. We are strong Canadians in British Columbia and being Canadians to us means being able to look to Ottawa, to a strong central government, to help us with our problems of education, of welfare and of development. We are not interested in a central government that can only raise taxes and run the post office or contribute to the United Nations. I do not want to see a central government that is solely the tax collector for ten provincial premiers, as seemed to be the suggestion of the hon. member for Burnaby-Coquitlam yesterday, when he suggested that this legislation was wrong, that we should have ten provincial scholarship committees. I realize the hon. member for Burnaby-Coquitlam has had years of service as a provincial premier and cannot forget this when he gets into the national parliament. If the forces within Canada are such as to succeed in leaving the central government weak and emasculated, then I suggest that an ever increasing number of people in my province are going to begin questioning their relationship with that weak central government.

The adequate provision of undergraduate and postgraduate opportunities in Canada is of national concern, requiring direct national action. The parliament of Canada must have the ability and the willingness to deal with education as a national affair. This bill is a good beginning. But if we are going to develop as a strong nation, we must provide everyone capable of acquiring an education with a maximum amount of facilities and opportunities. In order to provide proper educational opportunities for Canadians, the government of Canada and this parliament are going to have to involve themselves directly in the years ahead in providing facilities for that education.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I have examined the bill now before us with great care and I question its constitutionality. In my opinion, it is unacceptable, unless major amendments are brought to it.

There are so many ways in which the federal government could help education without having to intrude either directly or indirectly in a matter under provincial jurisdiction.

I feel that the bill, in its present form, is but a sly and underhanded way for the federal government to intrude in the field of education, even if it does provide an option formula for the province of Quebec. As a matter of fact, experience shows that when the federal government enters a field under provincial jurisdiction, things are finished and done with, because it never withdraws.

Instead, I would suggest to the federal government that it should mind its own business and look after it, and that it should try to solve the economic problems now facing the country, especially the low level of income of farmers in eastern Canada and British Columbia and the unemployment we now have.

Mr. Speaker, show me one word, one sentence in the British North America Act which allows Ottawa to intrude into the field of education, either directly or indirectly. Section 93 is abundantly clear, as the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) explained perfectly.

Moreover, section 11 in Bill No. C-110 constitutes, in my opinion, a direct intrusion into the field of education, which is exclusively assigned to the provinces. In other words, the federal government is giving instructions to the provinces. In fact, here is what is stipulated in section 11 (1):

> The appropriate authority for a province shall not issue or cause to be issued any certificate of eligibility in a loan year—

Mr. Speaker, I wonder whether this is not an order given to the provinces, whether it is not a direct intrusion into education, a field under provincial jurisdiction? In other words, the federal government is imposing conditions to the provinces.

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Mr. Gérard Filion, of the daily newspaper *Le Devoir*, wrote on April 18, 1962:

A good point in favour of the Conservative party is its tax sharing policy. The provinces are rightly unsatisfied, but nevertheless, they have gained some ground during the past five years.

And Mr. Filion went on:

Under the logic of events and on the strength of precedents, the Liberal party is slowly but deliberately driving its wedge. A Liberal government in Ottawa would surely increase the intrusion of the central government in the educational field.

Mr. Speaker, the present Prime Minister (Mr. Pearson), the Secretary of State (Mr. Lamontagne) and the Minister of Justice (Mr. Favreau) want by all possible means to take under their control education, which is a provincial responsibility.

According to the Joliette *Journal* of March 13, 1963, the present Prime Minister stated in Manitoba:

It is necessary to increase assistance to all programs of higher education.

And the newspaper *Le Devoir* of February 10, 1964 published the following report from Sudbury:

Miss Pauline Jewett, Liberal member for Northumberland, suggested before some 350 teachers of the Ontario federation of high schools, the establishment of a federal department of education.

I would refer hon. members to page 5154 of *Hansard*, where, with regard to point of privilege I had just raised in the house the hon. member for York East (Mr. Otto) is shown to have stated:

It is just on that point I would like to disagree. It is a curious thing that in this country with 19 million population we do not have in our federal government a minister of education or a department of education. We have one Minister of Agriculture, with another coming up, but no minister of education. It is not only curious but tragic.

If a man does not get a sound education, let us say in one of the maritime provinces, and becomes unemployable, who is going to be responsible for the maintenance of him and his family?

And the hon. member for York East, who is sitting on the government side, added:

I support this bill very strongly but it seems a devious way, an indirect way to accomplish what we know should be done, and that is for the federal government to be concerned with educational matters. I strongly suggest that all of us, and the government in particular, pay great attention in the contemplated amendments to the British North America Act to work out a scheme by which education will be a national concern and become the business of this government.

[Mr. Pigeon.]

At this point, the hon. member for Prince Albert (Mr. Diefenbaker) said:

Mr. Speaker, I am sure the house listened with attention and interest to the remarks of the hon. member for York East (Mr. Otto). I am led to believe that he frequently is placed in a position of flying kites for the government, and I am waiting for further support on the other side of the house for this proposition that denies every principle of confederation, that an amendment be made to the British North America Act to provide for the control of education by the federal parliament.

I wonder what is the opinion of the other government members, especially those of the province of Quebec, following the statement made by the hon. member for York East. What is the opinion of the Minister of Justice concerning the eventuality of a federal department of education, as advocated by the hon. member for Northumberland (Miss Jewett), as well as the hon. member for York East?

We would be very happy to know about it. This bill, unless it is amended so as to make it conformable to provincial jurisdiction in educational matters, seems to me a first step by the government to establish a department of education with a view to taking over provincial responsibilities.

Hon. Donald Fleming, who was minister of finance said on September 6, 1958, as shown on page 4726 of *Hansard*:

—that this government will always scrupulously respect the terms of the Canadian constitution. It is plainly recognized that education is a field of jurisdiction exclusively assigned to the provinces...

And he went on to say:

As long as this government is in office there will never be any attempt made to trespass on that jurisdiction exclusively vested in the provinces.

Mr. Speaker, some opposition to this bill has been voiced. University students of the province of Quebec, student associations of the province of Quebec have made known their formal rejection of the federal offer of an interest free loan fund for needy students. Those are Quebec universities.

During an interview, Mr. Dave Jenkins, president of the Canadian union of students, stated that the federal government owes $10 million to students in view of its electoral promise, but that this amount could be reimbursed under the form of fiscal deductions allowed to students, students' parents and industries which grant scholarships. According to the president, direct loans to students from the central government are perhaps unconstitutional, because education falls under provincial jurisdiction.

Without infringing upon the provincial jurisdiction in the field of education, the federal government could assist the students by increasing, for instance, the number of positions available within the various departments in Ottawa, so that the students who have summer holidays may earn some money to pay a part of their studies. Those positions could also be distributed in proportion to the number of French speaking students from Quebec, so that they may have their fair share, just like English speaking students.

I am in a position to note the attitude of the Quebec government. We hear no protest from it, and yet, according to *Le Devoir* of February 20, 1964, at the time, Messrs. Lesage and Gérin-Lajoie were against a federal assistance program for students, because it was an infringement of the provincial field. Why this silence now?

Even on the government side, there is no unanimity; there are conflicting opinions. Is there any need to recall the statement made by the hon. member for Drummond-Arthabaska (Mr. Pepin), parliamentary secretary to the Minister of Trade and Commerce:

> The provinces would be in a better position to carry out this task. However, Ottawa could promote the extension of universities by means of C.M.H.C. loans.

The hon. member for Drummond-Arthabaska was speaking according to his conscience and I must commend him for it. I wonder whether the Minister of Justice agrees with the views expressed by the hon. member for Drummond-Arthabaska and whether he does not feel that this bill infringes, directly or indirectly, upon the provincial field?

I know that many members of the house, unfortunately, Mr. Speaker, prefer to submit to party policy. They would rather sacrifice the legitimate yearnings of the provinces to please their party, but they should have the courage to rise against a bill which affects the jurisdiction of the provinces.

That is the kind of co-operative federalism we have at the present time. It is a new form of centralization to hide the interference by the federal government and enable it to progress by infiltration into the fields which belong to the provinces.

May I advise you, Mr. Speaker, to read the book by Mr. Lamontagne on Canadian federalism. As early as 1944, this theorist explained how federalism should operate in Canada.

In fact, he wrote:

> It is therefore the participation of the government in the main functions of the state which must become the general rule (P. 248).

He also wrote this:

> The joint participation of all levels of governments in the functions of the state is perfectly consistent with the Canadian constitution (P. 249). The theory of separation of the functions leads either to the splitting up of federalism, by promoting separatism or legislative union, or to the coexistence of isolated governments within the
> The joint participation of all levels of government from carrying out properly its responsibilities (P. 246).

That should be told to the voters, because this text is fraught with consequences. I continue:

> The doctrine which gives a definition of federalism as being a form of political unification where sovereignty is divided between several governments having their own exclusive fields of jurisdiction is therefore unacceptable. That definition might satisfy the minds looking above all for clearcut formulas. It may have tallied with a factual situation in the past, but it can no longer fit the present realities. (P. 246)

And he added:

> Separation of government functions laid down as a general principle is inconsistent with the social and economic situation or with an efficient political regime.

That is what we have at the present time. I understand that the Minister of Forestry (Mr. Sauvé) engineered the scheme, that he acted as a go-between, sent to the government of Quebec to have them accept this bill.

I wonder if it is true that the Minister of Forestry (Mr. Sauvé) has been the genius who forced the province of Quebec to accept this bill.

Mr. Speaker, it will be noted that since coming into power, the Pearson government has given a perfect illustration of its thinking on co-operative federalism. It does not violate the constitution unilaterally; it proposes to the provinces to assist them in fulfilling their obligations (loans to municipalities, interest free loans to students) or it solicits their acceptance of a bill in a field of concurrent jurisdiction (pension fund).

But everyone knows what happens gradually to co-operation between unequal partners. The central government already has such powers and revenues that co-operation will shortly develop into an implicit centralization system: Ottawa will initiate, legislate and establish new institutions; the provinces will be entrusted with the execution and the distribution of funds.

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Twenty years, ten years of co-operative federalism and the provinces will, in fact, only be administrative and managing agencies.

That is why I contend that co-operative federalism is but another disguised formula for centralization, where the provinces would only be Ottawa subsidiaries whose functions would only be to apply the decisions made in Ottawa.

However, as a result of the federal-provincial conference which took place between the Canadian provinces and the central government, there was agreement on this particular point, namely that the matter of education came under the exclusive jurisdiction of the provinces, that it was the most urgent problem and that it should have priority in our present economic situation. It is recognized that the provinces have the priority in that field and must have the taxation powers they need to meet their obligations.

I wonder why the Quebec government has remained silent about that bill and I find its attitude very surprising.

Last night I listened to the speech made by the hon. member for St. Maurice-Laflèche (Mr. Chrétien). As reported on page 5482 of *Hansard*, he said:

> —the Minister of Finance prepared a bill in accordance with the two following principles which are of the utmost importance:
> (a) education comes under the provinces while credit is a matter of federal jurisdiction;

And yet credit is a field of joint jurisdiction, it comes under both the federal and provincial governments. If the hon. member wanted to talk about the provinces' taxation sources when he mentioned credit, he will admit that the provinces have the priority in the field of taxation.

The province of Quebec is well organized today as far as scholarships are concerned. The St. Jean Baptiste society has more than $1.5 million in funds and through the students' honour loan has organized subscription drives to enable students to get scholarships. Loans are made also by the Artisans society and the province of Quebec itself has an excellent system of scholarships. The banks, the credit unions as well as the private sector make loans to students. There is also the provincial arts council. In short, there are in Quebec more than 50 organizations which make loans to students to enable them to continue their studies.

[Mr. Pigeon.]

I am afraid that by infringing too much upon that field which does not come under its jurisdiction, the federal government will be the cause of certain abuses.

Mr. Speaker, if the government and the Minister of Finance were so anxious to assist education they could have done it much more simply. They did not have to introduce such a complicated bill which will require the establishment of a group of civil servants whose function it will be to inspect the provinces' bookkeeping in order to ensure compliance with the federal statute.

Since all the provinces have established a system of scholarships within their jurisdiction, the minister could have said for instance: "Starting tomorrow, the central government will pay directly to the provincial treasury the interest on loans granted by each province."

The provinces have the necessary funds to grant loans and the federal government could have assumed the interest costs by reimbursing the provincial ministers of finance for such expenses. Had he done so, there would have been no violation of provincial jurisdiction and the provinces would have been satisfied. Everybody would have been happy, including the students.

I am not surprised to see that Mr. Lesage neither protests nor says anything about this. In fact, an editorial which came to my attention reads as follows:

> The reason is that Mr. Jean Lesage is the originator of that scheme which was adopted by the Liberal party in 1958. Mr. Lesage has the dubious honour of having been the first Liberal to advocate the main plank of the platform which carried Mr. Lester B. Pearson to office.
>
> "Free education at all levels".
>
> Mr. Lesage was at that time federal member for Montmagny-L'Islet; he had been previously Minister of Northern Affairs and National Resources.

Mr. Lesage was the first person to ask the Liberal party, at this convention, to introduce a bill enabling the federal government to find its way into the education field, which belongs exclusively to the provinces.

May I be allowed, Mr. Speaker, to pay a tribute to the Barrette government who, during the short time they were in power, adopted seven or eight important pieces of legislation to assist and stimulate education in the province of Quebec.

I do not agree with certain members who pass judgment on everything that was done in the educational field in the province of Quebec, before 1960.

Indeed, the province of Quebec has weak spots like all other provinces. Under its educational system before 1960 the province of Quebec has provided the church and the state with valuable men, men who have been sitting here as members of the federal government.

I do not think it logical for certain members to criticize what has been done in the educational field in the province of Quebec and to show such confidence in the new system. The new educational system in Quebec will certainly have some flaws; at the present time, the taxpayers are already complaining loudly.

May I be allowed, in concluding, to point out the financial needs of education in the province of Quebec.

Education has priority for all Canada, and Quebec is no exception. From now until 1967 we will have to find $500 million if we want to remain in the world competition for education, the goal being set for the year 1970.

I have a report here on a study prepared by the planning office of the department of education entitled: "Financial Needs of Education in Quebec, 1964-67". It comprises 81 pages of text where, through vital statistics and financial projections, an attempt is made to establish, first of all, the probable cost of education during the next three years, and to study the means that could be used to meet those costs or to reduce them.

Let me quote a few passages of this brief which is very revealing:

Overwhelming forecasts. This study contains important findings to the effect that:

1. From the year 1956-57 to the year 1966-67, the total cost of education in the province will increase fourfold, from $286 million to $1,203 million.

2. In 1966-67, if education had to be satisfied with present sources of revenue and at present rates, there would be a shortage of $245 million to meet the expenditures anticipated.

This applies only to the province of Quebec.

That is why, Mr. Speaker, it is so important for the federal government to make sacrifices and return to the provinces part of their taxing power. That would not mean that we would forget the poorer provinces, and I am sure that the rich provinces of Canada would agree that the federal government should give a certain amount to the other provinces, in order to make up for their financial deficiency.

Again, I quote:

3. Those increases are due not only to the inevitable increase in the number of students, but also to the increase of the average cost per student. On the other hand, this rise is due to two main factors:

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(a) More and more students take courses which are costly to establish—we will deal with this matter in a moment—

(b) For the same program, the unit costs are increasing and will continue to increase because salaries are improving—

Other facts are also worth mentioning. It states, for instance, that school boards will show deficits of $66 million this year. It also points out that, as far as school boards are concerned, the average cost per student increased last year, compared to the previous year, by $38 and that three quarters of that increase, or $27, are due to salary increases granted to the teaching staff. Finally, it states that the average cost per student will amount, this year, to $362 in educational institutions, to $461 in private institutions, to $1,031 in technical and trade schools and to $1,839 in universities.

Finally, it should be mentioned that the financial conditions revealed by this departmental survey are not favourable, since they are making our school system lag and, in many places, necessary solutions are more difficult to apply; let us remember the conclusion arrived at by the organization for economic co-operation and development: A real revolution in education is shaping up in the world under the combined pressure of economic expansion and the yearning for knowledge. It will reach its climax in 1970, when the whole world will be getting an education.

Then, Mr. Speaker, there are statistics concerning the rising cost of education in Quebec and the increasing number of students, but I will not impose on the house by reading them into the record.

That is why, Mr. Speaker, the people of Quebec are concerned when they see the federal government trying more and more to enter and control every field, even where it has no jurisdiction, because when the federal government sets foot in a field, it never gets out but stays there. We are therefore afraid, in the province of Quebec, that this intrusion in the educational field, which, anyhow, did not start today, will result in the creation of a federal department of education.

In some provinces, the French minorities have been fighting for years to obtain recognition of their school rights. That is why, Mr. Speaker, we do not want the majority of this country, which has neither our culture nor our language, to impose its views upon us in the educational field.

The people of the province of Quebec, therefore, want the directives in the educational field to come from the French speaking majority, and not from the English speaking majority. That is the problem. And that is why we have confederation. The province of Quebec has a very different concept of those issues.

There would be a way to correct the situation, but the government makes it more complicated, embittered and creates separatism in the province of Quebec, particularly

by having no regard for its rights. If the other provinces are ready to give up their rights, it is up to them. But the people of Quebec are justified in opposing that.

If we want to have a strong confederation and stop separatism, let us return to the provinces, and particularly Quebec, their taxation powers, so that they can develop according to their mentality and conscience.

Mr. Speaker, this government through its constant encroachments on fields that are none of its business, is one of the main causes of the separatist wave that we have in Canada.

As I said earlier, if it is in the interest of English provinces to understand that, it is also in the interest of the federal government to understand that question. If Quebec is strong, Canada will also be strong. And if Quebec is strong, it will hold out better against the American domination. In Quebec we do not want American domination. In English provinces, 80 per cent of television programs originate from the United States and invade Canadian homes. It is impossible for us to accept that. Of course, it is possible, but we prefer to listen to C.B.C. programs, because they are broadcast in our own language.

[*Text*]

Mr. Cowan: Mr. Speaker, might I ask a question?

[*Translation*]

Mr. Pigeon: Mr. Speaker, I fail to see what objection the hon. member can bring forward—

Mr. Deputy Speaker: I understand the hon. member for York-Humber wanted to ask a question, if the hon. member for Joliette-L'Assomption-Montcalm would be good enough to answer it.

Mr. Pigeon: Surely, let the hon. member put his question.

[*Text*]

Mr. Cowan: Would the hon. member for Joliette-L'Assomption-Montcalm permit a question?

Mr. Pigeon: Yes.

Mr. Cowan: I heard him state just now that Quebec does not want United States domination. What objections were raised in Quebec when General Motors announced their tremendous new plant at St. Therese?

Mr. Grégoire: We did object.

[Mr. Pigeon.]

[*Translation*]

Mr. Pigeon: Mr. Speaker, it is easy for me to answer this question. Not only the province of Quebec, but all the other Canadian provinces suffer from foreign control, since practically 65 per cent of all investments in Canada come from outside. From the standpoint of the economy we are unfortunately an American subsidiary at the present time, and the danger is there.

I wonder what the Minister of Finance does to encourage and help Canadians to regain control of their economy. Our natural resources are developed by foreigners. I am not against foreign capital but foreigners should understand that there should be Canadians on the board of directors.

I would not want the Cuban experience and that of other South American countries to be repeated here in Canada.

With regard to the bill, Mr. Speaker, I am personally against it, in its present form, and I urge the Minister of Finance to amend it and fill in the gaps.

The hon. member for Berthier-Maskinongé-Delanaudière and other members proved to the house that this bill constitutes an intrusion into an exclusive jurisdiction of the provinces.

If the government refuses to accept the amendments which will be moved, or does not itself amend the bill, I will not be able to support it, because Quebeckers, and especially the population of Joliette-L'Assomption-Montcalm, share my opinion.

Mr. Choquette: Mr. Speaker, I wish to rise on a question of privilege, because of the general content of the hon. member's speech.

Mr. Pigeon: There is no question of privilege.

Mr. Choquette: The hon. member for Joliette-L'Assomption-Montcalm, claiming to be the spokesman of the population of Quebec, says that this province is very concerned about the intrusion of the federal government into fields where it is not concerned.

Mr. Grégoire: Order.

Mr. Choquette: My question of privilege is this. The province of Quebec is not at all concerned about an intrusion which does not exist. Indeed, there is no intrusion in provincial fields by virtue of this bill.

Mr. C. A. Gauthier (Roberval): Mr. Speaker, Bill No. C-110 is intended to help students of slender means. I admit that the purpose of the

bill is most commendable, but I think that the ways are much less so. If it had not been for those special circumstances, this bill would even be a step toward an improvement in the condition most students had to face for so long.

Those who come from modest families, who succeeded in completing their studies and were able to cross the barrier of segregation at school, know how difficult it was for a lonely young man to reach the institute of technology, the university and even to complete high school. If we remember those sad years, it was the era of castes, of boys with wealthy fathers and of upstarts. It was either money, or academic and political pull which determined the degree of intelligence of the young student. I can tell you that several of the stars of that time would cut a sorry figure if they had to pass the intelligence tests used today. Progress is putting things right. We are confident that thanks to all the changes in education in general and all the facts known to future students, the next generation will find more justice.

Far from me to think that everything will be perfect. But the sole fact that we make efforts to reach perfection, gives hope to our young people. Therefore, it is our duty to remain careful at all times in order not to give up our birthright for a mess of potage, as an excuse to help students. Hence, it is important for us people from Quebec to make sure that our provincial rights in the field of education are not gobbled up once more by the federal ogre.

That is why we, the members of the Ralliement Créditiste, objected to the bill under study. At that time we had already discovered another intrusion, hidden as usual. We have always been pioneers in the protection and reconquest of the rights of the province of Quebec and we shall carry on the good work.

In *Le Devoir* of July 15, which for once, does justice to us, one can read on the editorial page, the following article by Mr. Paul Sauriol:

> It is almost unanimously that the House of Commons passed Monday, on first reading, the bill establishing loans for students. If the resolution was passed on division, it was at the request of the Ralliement Créditistes which objects to this new federal intrusion into the provincial jurisdiction. Three of the four groups in the opposition joined the Liberals to approve this measure. This vote throws some light on some recent speeches on co-operative federalism.

Mr. Speaker, the bill states clearly that the provinces remain free to set up their own students' loan scheme. Such a scheme has been in operation for a few years already in our own province. However, the possibilities in Quebec are too limited, precisely on account of the action of the federal government in Quebec.

I hope that bill will be one more opportunity for the federal government to make up for its unfairness in the field of education by giving back to Quebec its share of taxes collected in our province.

The best would be for the present government to give back to each province which so desires its taxation right. But as long as we have those two old finance parties, which have never been honest enough to give back what they borrowed, we will remain in the sad obligation of accepting the crumbs which will fall from the table of the champions of centralization.

We realize that such socialist penetrations please certain provinces and that explains why this government, in spite of their fine electoral promises, infringe more and more upon exclusive provincial fields.

Our greatest concern at this time is to know when that widening of powers will come to an end. Why, even at the last election the Liberals presented themselves as the champions of the return of taxation rights to provinces. It was the end of the famous joint plans.

What happened since? In all provincial exclusive fields, we have seen a succession of casual encroachments upon the jurisdiction of Quebec. The Ralliement Créditiste made every effort to delay, if not to check that take-over of the various strongholds of the province of Quebec, but the federal Liberals, implicitly supported by Quebec Liberals, have continued their advance under the camouflage of co-operative federalism, which should rightly be called compressive federalism.

Luring the people with alleged benefits they took advantage of the situation to crawl into the very foundation of our provincial structure.

Even today it is clear that our students, like our school boards, our municipalities and even our province itself need the assistance expected from their government. But do you really help people when you sentence them to bear the yoke of banks for the rest of their lives?

Yet that is what we are doing when we give chartered banks permission to finance the education of our young people. And we

even go further, since this government guarantees to the chartered banks that they will be the only institutions to enjoy such a privilege.

Mr. Speaker, do you not think it would be much more logical to order the Bank of Canada to put the necessary funds at the disposal of the provinces, so as to allow them to act according to the aspirations and the thinking of their respective population? Several hon. members have asserted that the provincial rights were protected. But in order to pay interest on these loans, we all know very well that the federal government will again levy the necessary taxes in these same provinces.

It is therefore another door open to the federal government in the taxation fields reserved to the provinces.

It is precisely at that level that we are fighting against that interference tolerated by our provincial governments, not to say approved by them and the members who are supporting that bill now.

It is precisely at that stage that we can protect the fortress; it is not only a matter of preventing it from being overrun but also of preventing even arrows from hitting it. By what right, I ask you, does the federal government take it upon itself to tax the people of Quebec, giving them back too often only the third of what it collects from them and offering them small compensations such as free assistance which it considers a fabulous gift?

With Bill No. C-110, as with all other legislation concerning joint programs, it is false to say that the rights of the province of Quebec are protected by the contracting out formula, because the basic encroachment upon the field of taxation bears evidence to the fact that the federal government will again be in control and take the final decisions in this matter.

I should like to quote another extract of Mr. Paul Sauriol's article which was published in *Le Devoir*:

> —a provision under which the federal government will compensate any province which administers its own scheme of student loans.
>
> That is what is called respect for the provincial rights. Such a system remains unacceptable because the central government acts on its own in fields which come exclusively under the provincial jurisdiction, collecting and using taxes for provincial purposes, subjecting to its control and to its schemes even the provinces which would wish to break loose from them.

Let us, once and for all, return the rights to the provinces where they belong and the war of rights will come to an end. Thus, the federal government will stop being a mock Santa Claus.

We are longing for the day when the Quebec government will stop playing the game of totalitarian federalism, when we shall at last have in Quebec a government with sufficient courage to get rid of those old tax-mongers.

If each government would keep to its own field, I can assure you, Mr. Speaker, that in either field everything would be in order.

We firmly object also, throughout the province, to these being subjected to the will of bank managers. In order to get out of an abyss, we will be walking near the edge of a more dangerous precipice.

Let us imagine a student coming from a family in receipt of public welfare payments. What impression will he make on the bank manager when he answers the long list of questions asked by the chartered banks in the course of their investigations? If the father does not have a bank account or does not have his bank account in such and such a bank or, which is worse, if he never had a bank account, what will happen?

In these circumstances the degree of intelligence would be determined tomorrow by the chartered banks trust which would control in this way the whole direction of our future thinking.

After giving to chartered banks the power to create all our credit, the control of the Central Mortgage and Housing Corporation over our small home owners, the control of the Farm Credit Corporation over our agriculture, the control of our industrial life and and even the control of our vital index, today you ask them to control the training of our young people.

Mr. Choquette: You dramatize.

An hon. Member: We are realists.

Mr. Gauthier: A youth anxious to make his dreams come true will be tied to the worst trust which now controls us completely, and tomorrow will even control our thinking.

Mr. Choquette: This is a nice speech, but I should like to know who wrote it.

Mr. Gauthier: It is certainly not a demagogue like the hon. member for Lotbinière, for he always repeats the same nonsense and always practices the same demagogy. Why does he not try to become more responsible?

Therefore, we take exception, Mr. Speaker, not to the necessary assistance provided for students, but to the hypocritical manner in which the bill was introduced. Why is it that

when Quebec needs something to survive, it has to come and get it from the central government which decides the quantity and quality?

The idea is repugnant to us. And that is why we denounce this federalist oppression.

In conclusion, I ask the minister to authorize the Bank of Canada to make available to the provinces the necessary amounts for educational grants, and I repeat, for educational grants. Students should not be given loans but grants, because a loan is not assistance, it is a trap.

The government should respect the terms of confederation and return taxation rights to Quebec and everybody will be happy.

[*Text*]

Mr. Kindt: Mr. Speaker, may I call it six o'clock?

Business of the House

BUSINESS OF THE HOUSE

Mr. Starr: May I ask the acting house leader whether there are any changes in the business of the house for tomorrow or Friday, or will the order remain the same as the leader of the house announced last night?

Mr. MacNaught: Mr. Speaker, the business of the house for tomorrow and Friday will remain as outlined by the house leader last night, with the possible exception that if there is any time left tomorrow after concluding the student loans bill and the federal-provincial fiscal relations bill we will take second reading of Bill No. C-112, to amend the Judges Act.

At six o'clock the house adjourned without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, July 16, 1964

The house met at 2 p.m.

TRADE

WHEAT—ANNOUNCEMENT OF SALE TO CZECHOSLOVAKIA

Hon. Harry W. Hays (Acting Minister of Trade and Commerce): Mr. Speaker, I wish to inform hon. members that the Canadian wheat board is announcing in Winnipeg today that it has negotiated a contract for the sale of approximately 500,000 metric tons of wheat for shipment to Czechoslovakia. This sale, totalling approximately 18.4 million bushels, is for shipment during the period August to November, 1964.

This is the second sale made to Czechoslovakia under the provisions of the long term agreement signed on October 29, 1963. Of the 500,000 metric tons purchased, 230,000 tons represent the completion of the quantity that Czechoslovakia had agreed to buy during the first year of the agreement, and the balance of 270,000 tons applies against the second agreement year which commences October 30, 1964.

Payment for the wheat is to be made on the basis of 10 per cent at time of shipment with the balance to be paid in equal instalments, plus interest, at two, two and a half and three years respectively. These credit arrangements were authorized by the government of Canada under the provisions of the Export Credits Insurance Act.

[*Later:*]

On the orders of the day:

Mr. Robert Simpson (Churchill): I have a question for the Minister of Trade and Commerce. In his absence perhaps I may direct it to the acting minister or the Minister of Agriculture. It relates to the grain sale which was announced today by the Minister of Agriculture. Could the house be informed whether it was made clear to those negotiating on behalf of Czechoslovakia what financial benefits could accrue both to Czechoslovakia and to western farmers by agreeing to the shipment of a considerable amount of this grain through the port of Churchill? If this was not made clear to them, will the minister assure the house that it will be made clear to them in future.

Hon. Harry W. Hays (Minister of Agriculture): I am sure this would have been done by the Canadian wheat board. The hon. member may like to know that last year we shipped a record amount of wheat through Churchill, and I suppose we may even exceed that record this year.

Mr. Simpson: That is always good news; we have always broken records since 1957. I should like to have an assurance that in these negotiations the possible savings to both the purchaser and to the western farmers are made clearly known to the negotiators for the other country concerned.

Mr. Hays: I would be glad to direct this request to the chairman of the wheat board.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, may I put a supplementary question?

The Minister of Agriculture stated at the same time that Czechoslovakia would pay 10 per cent on shipment of the wheat. Could the minister tell us what rate of interest will apply to the balance Czechoslovakia is to pay Canada over a period of two and a half to three years?

[*Text*]

Mr. Hays: I cannot state the exact amount of interest, but I would be glad to look into it and let the hon. member know.

COMMUNICATIONS

CANADIAN PARTICIPATION IN INTERNATIONAL SATELLITE SYSTEMS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Acting Prime Minister in connection with the international satellite communication system. What was the basis upon which Canada decided to make a contribution to this system; and is the minister in a position to give the reason why the

United States defence department has withdrawn from the satellite communication consortia and what the effects of the withdrawal of the United States will be on probable costs?

Hon. Paul Martin (Acting Prime Minister): I will ask the Minister of Transport to answer that question.

Hon. J. W. Pickersgill (Minister of Transport): I should not like, Mr. Speaker, to make a statement without very careful reference to the documents, but my impression is that it was not a sudden or precipitate withdrawal. The way in which the satellite communication system is being worked out is that it would provide for participation by any countries which wished to participate. I think hon. members will quickly appreciate that this might have certain consequences from the point of view of certain types of military communications. I do not think it was contemplated that even though the defence services of the United States or any other country did not participate directly in the satellite system itself, that would not mean that certain types of communications would not use that system in exactly the same way as the defence forces now use other communication systems than their own.

Mr. Diefenbaker: Mr. Speaker, the minister has said it was not precipitate action on the part of the United States. However, the New York *Times* report indicates that this is another reversal of the Pentagon's on again-off again efforts in the development of a military communications satellite system.

I realize that it is difficult for the minister to answer without having the material before him, but I should like the minister to give the house a full answer in this regard and also to indicate what the expenditures will be on the part of Canada in this connection, as well as the reason Canada should be assuming a major responsibility in so far as the expenditure is concerned in this connection at a time when the United States, which is so necessarily interested in matters such as this, is withdrawing.

Mr. Pickersgill: In the first place, sir, I do not think it would be appropriate for me, with or without notice, to comment on the policies of the government of the United States. We are answerable in parliament for what we do and not for what other countries do. The only aspect of United States policy that would be of concern to us would be if the United States government decided not to participate in this system. Which agency of the United States government may participate is surely a matter for the United States.

I have no information that the United States government, which has a chosen agency which is partially privately owned and partially publicly owned, does not intend to participate as a major partner in this project. I am quite sure if there was any decision that the United States was not participating in that way, there would be no project at all and, therefore, there would be no problem of Canada's participation.

Assuming there has been no change so far as the United States government is concerned—I feel quite sure I would have heard about it more directly than through the New York *Times* if there had been—and assuming that negotiations are going to go on in Washington on the basis on which I understood they were going on, which involved no participation by the United States defence department at all, then the reason Canada is participating to the extent it is is that we believe this is a venture of great importance in the communications field. This was true of the telephone cable project in which we participated some years ago. We feel this is going to be a very important means of communication, and a profitable means of communication over a long period. Hon. members will have noted only yesterday the report of the C.O.T.C. which was gratifying in that it showed a large profit was being made on their operations.

Now, it is thought there is a very distinct probability that satellite communications will supplement to a very great extent cable telephonic communications, and that this, to a great degree at any rate, is the wave of the future in communications. We felt it was desirable that Canada should participate, for exactly the same reasons we are participating in the telephonic cables, and should have a sufficiently large interest in it to have a permanent say in its direction. We feel this will be the kind of investment that will pay dividends, and I do not mean just dividends in good will or anything of that sort but cash dividends in due course to the investors.

Mr. Diefenbaker: I thank the minister for his explanation. Of course everybody is in agreement that Canada should participate in intercommunications. When we were in office we participated in the commonwealth telephone system, so it is not anything new. It was during our administration that it was started.

Mr. Pickersgill: I am sure the right hon. gentleman does not want to misrepresent the facts. It was started by the St. Laurent government when I was a member of that government.

Mr. Diefenbaker: Mr. Speaker, they started a lot of things but did not go ahead, and this was one of those. Just a moment ago I was going to compliment the minister on the very good answer he gave, but now he has spoiled it all.

Does he say the United States defence department did not notify Canada as to its attitude in this regard? I must say I am surprised if there has been no communication.

Mr. Pickersgill: I said no such thing at all. I said it was my understanding even before we went to this conference that the United States defence department was not going to be participating in it. I believe that will be found to be the fact; but I think it is very wrong for members of the Canadian government to be interpreting the policies of the United States and the administration of the United States.

Since the right hon. gentleman has introduced the irrelevancy might I point out I was present at the cable laying at Clarenville, Newfoundland, as the representative of the government of Canada, and that was before the right hon. gentleman even became the leader of his party.

WEIGHTS AND MEASURES

PREPARATIONS FOR CHANGE TO METRIC SYSTEM

On the orders of the day:

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I would like to ask the Acting Minister of Trade and Commerce the following question. As 90 per cent of the world's population, including all of Europe, Russia, Japan, China and India, and all of South America, lives by the metric system, and as Canada stands alone among the remaining nations outside this system in not having made any preparation for such a necessary and inevitable change, would the acting minister be good enough to tell the house when the government is going to take its responsibility and set up a proper preparation for this event?

Mr. Speaker: I think I get the gist of the question. This is a very interesting question but I think it would be even more interesting if we saw it in print. Would the hon. member put it on the order paper.

Inquiries of the Ministry

FINANCE

REMOVAL OF TAX ON BUILDING MATERIALS AND EQUIPMENT

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the fact that the unemployment rate in June of this year was only four tenths of one per cent below that of last year and only one half of one per cent below that of 1962—in fact, some 22,000 below that of last year—will the minister now consider taking the 11 per cent sales tax burden off the construction industry?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I think we have dealt with that question on several occasions.

Mr. Starr: I wonder whether the Minister of Finance has now changed his mind in view of the present unemployment situation.

Mr. Gordon: No, Mr. Speaker, the Minister of Finance has not changed his mind on this matter.

ADMINISTRATION OF JUSTICE

ONTARIO—PREPARATION OF COURT CASE RESPECTING "HATE" LITERATURE

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I direct a question to the Minister of Justice. Is it true that the R.C.M.P. has not yet supplied any information to the Ontario attorney general to assist him in preparing a court case in connection with the widespread distribution of hate literature, as was promised by the minister in this house about two months ago?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I shall be discussing that matter with the authorities concerned on Monday, and I shall report to the house on it as early as possible.

REQUEST FOR CONSIDERATION OF LEGISLATION TO ABOLISH CAPITAL PUNISHMENT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Justice. A week ago last Wednesday I asked him whether the government would consider providing government time for Bill No. C-12, in the name of the hon. member for Danforth, or bring in its own bill to abolish capital punishment in Canada. The minister's reply was that he would

take the question as notice and give it consideration. Is he yet prepared to give an answer to the house?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, that matter is still under consideration.

LEGISLATION RESPECTING DISSEMINATION OF "HATE" LITERATURE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, could the Minister of Justice say what has been done, since the last report he made to the house, by the committee set up or the designated group who were going to look into the whole question of hate literature and the degree to which, in their opinion, the present law is sufficient or whether changes are to be made? Have recommendations in that connection been made, and will they be brought in during the present session?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, I am not in a position to report on that in detail for the moment, except to state that the matter is still being pursued actively, and that I hope I shall be in a position to make a report to the house as early as possible.

Mr. Diefenbaker: A supplementary question. Has not the department of defence drafted suggested amendments to the criminal law of today to cover the situation created by illegal and unlawful propaganda being spread in this country against racial groups?

Mr. Favreau: Mr. Speaker, with due deference to the right hon. gentleman I hardly think that last question can be deemed to be in order, because it deals with and concerns the responsibility of the Minister of Justice, or ministers and is a matter which, after all, will eventually have to be dealt with under the responsibility of the Minister of Justice. Any actual suggestions, excepting those made by people from outside, from within a department regarding any actual drafting is something which is in the nature of confidential information, and must remain the full responsibility eventually of the minister concerned.

Mr. Diefenbaker: Then I ask the minister this. Has he before him suggested amendments to deal with the hate literature which is being distributed, or is the matter still in that nebulous, uncertain state it was in four months ago?

[Mr. Knowles.]

Mr. Favreau: Mr. Speaker, subject to what I have said the answer to the last question is yes. I do have alternative drafts before me; but I must be frank with the house and say that as yet I have failed to give my final agreement to any of them or to make a recommendation to the government.

LABOUR CONDITIONS

INQUIRY AS TO CONTINUATION OF WINTER WORKS PROGRAM

On the orders of the day:

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, may I ask the Minister of Labour a question?

Could he tell the house whether it is a fact that the officials of his department met with a group of government members on July 13, as reported in the Quebec *Le Soleil*, in order to study the winter works incentive municipal program and, if so, could the minister tell us whether he intends to change the present program, as suggested in the formula brought forward by that group of members?

[*Text*]

Mr. Speaker: It does seem to me that this is a question for the order paper.

EDUCATION

STUDENT LOANS—PROTESTS BY QUEBEC STUDENT ORGANIZATIONS

On the orders of the day:

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, may I direct a question to the Acting Prime Minister?

Has the minister received a telegram from the president of l'Association générale des étudiants de l'Université de Montréal with regard to Bill No. C-110 concerning a student loans plan? Does the government intend to give serious consideration to the views and ideas expressed by the students of the province of Quebec?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I did not receive that telegram yet, but I will inquire immediately.

[*Text*]

PRIVILEGE

MR. FAIRWEATHER—DISPLAY OF PORTION OF SPEECH IN OFFICE OF IMMIGRATION MINISTER

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I rise on a question of personal priv-

ilege. I have been reliably informed, and have no reason to doubt, that the Minister of Citizenship and Immigration, either on his own initiative or on the initiative of a member of his staff, has had printed and framed at public expense for hanging in one or both of his offices—because two copies were framed—one sentence of a speech I made in this house on June 22 as reported at page 4564 of *Hansard*, when I said:

> I like the type of man who will try to get into this country illegally.

While I have tried to keep under control any feelings I might have of pride and satisfaction at having words of mine grace the walls of the minister's office and publicized in this manner, I would like to think the minister would make sure that visitors to his office were supplied with copies of the full text of my speech. Thus the sentence to which the minister attaches such significance and has chosen to immortalize may be interpreted in its true light and with a sense of fair proportion.

May I, when I state this question of privilege, remind the house that in the early days of this country, before immigration procedures became formalized, many of our ancestors found haven and refuge here because of their daring and initiative. Then in a later period of our history I recall the Estonian refugees who landed in Saint John, New Brunswick, in the late 1940's after a hazardous journey across the north Atlantic in a sailboat. There are many such examples of courage and daring which were technically illegal but Canada, I submit, is a better place because these people are here. Also, Mr. Speaker, I have been reminded that the modern state of Israel owes a large portion of its population to such methods, and is proud of the fact.

I will be glad to arrange to send an adequate and generous supply of copies of my speech to the minister if he thinks it inappropriate to charge the public purse with copies for his own use.

Some hon. Members: Hear, hear.

[*Translation*]

Hon. René Tremblay (Minister of Citizenship and Immigration): Mr. Speaker, I shall be glad to give every possible publicity to the speech delivered in this house by the hon. member for Royal. I feel that most interesting suggestions were made to the minister of immigration by the hon. member and I should like to see his whole speech published, because I would be most pleased to distribute copies of it to all racial groups of Canada so that they might realize the significant contribution the hon. member for Royal wishes to make to the cause of immigration in Canada.

[*Text*]

Mr. Andrew Brewin (Greenwood): Will the minister undertake to do the same for other hon. members who have spoken in the house on the subject of immigration?

DOMINION-PROVINCIAL RELATIONS

DISCUSSIONS WITH B.C. PREMIER DURING OTTAWA VISIT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as the fishing season is in full swing I would like to address a question to the Acting Prime Minister. Has the Prime Minister received any communication from the premier of British Columbia suggesting the questions he would like to discuss with him when the premier visits Ottawa? If so, is the minister in a position to inform the house of the questions which the premier suggested should be discussed?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I have not heard of any communications from the premier of British Columbia, so in reply I can only say that notwithstanding my hon. friend's bold assertion that this is a good fishing period, my hon. friend in this question has not succeeded in his fishing endeavour.

HEALTH AND WELFARE

APPLICATION FOR USE OF ANABLAST SERUM

On the orders of the day:

[*Translation*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the charming head of the Department of National Health and Welfare.

Could she tell the house whether, following the hope put in the anablast serum and the unfortunate results of the experience attempted on young Guynemer, the officials of her department intend to allow that biologist to carry on with his work in Canada?

Can the minister also tell us what stand the government intends to take with regard to the anablast serum?

[*Text*]

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I have explained once previously to the very charming member for Three Rivers that the gentleman in question was interviewed by my department before he was allowed to give the serum in question to the youngster who subsequently died. He has been in touch with the department, and he knows in some detail the responsibility which lies upon him to comply with the food and drug regulations before he might be permitted to manufacture the serum for use on other individuals. I am informed that the department holds itself ready to co-operate and to make clear to him what must be done; and also to make perfectly clear that like every other individual who wishes to manufacture drugs, he must comply with the food and drug regulations.

CANADIAN BROADCASTING CORPORATION

ATTACKS BY NEWS COMMENTATORS ON U.S. PRESIDENTIAL CANDIDATES

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Secretary of State, and I should also like to draw this question to the attention of the Secretary of State for External Affairs. Would the Secretary of State recommend to the Canadian Broadcasting Corporation that the disagreeable and indeed vicious personal attacks on United States presidential candidates by news commentators might in future be avoided? Most United States citizens believe that the C.B.C. is the official voice of Canada, and such commentaries are likely to be interpreted as a direct interference in United States elections, which could easily cause this country a great deal of damage in influential United States circles. Just imagine, Mr. Speaker, what the feeling in Canada would be should the situation be reversed.

Mr. Nielsen: It did.

Hon. Maurice Lamontagne (Secretary of State): Mr. Speaker, as the hon. member knows I do not make recommendations to the C.B.C. with respect to programming. However, I would be very glad to transmit the views and concern of the hon. member to the management of the C.B.C.

Mr. H. W. Herridge (Kootenay West): A supplementary question. Does the minister know that comments on the B.B.C. can be considered lurid compared to anything on the C.B.C.?

HOUSING

DELAY IN IMPLEMENTING SALES AND RENTAL PROGRAM

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I should like to ask the Postmaster General whether he has received or knows of a telegram from the Fraserview veterans homeowners and tenants association taking strong objection to a refusal by himself to delay implementing a sales and rental program recently announced by Central Mortgage and Housing Corporation. If so, will the minister reconsider his decision not to delay the implementation of the new policy because of the importance of this matter to veterans and their dependants?

Hon. J. R. Nicholson (Postmaster General): Mr. Speaker, the answer to the first part of the question is yes, I did receive such a wire. With regard to the second part of the question, I am afraid I cannot offer my hon. friend any hope for further delay. This matter has been under careful study, been given careful consideration for the past several months by the officials of Central Mortgage and Housing Corporation, and by the directors of that corporation. Independent advice has been obtained, and it was carefully considered by the directors of Central Mortgage and Housing Corporation in June, just last month. I concur in the recommendations they have made, and I see no reason for further delay.

AGRICULTURE

TRANSFER OF GRAIN COMMISSION TO TRADE DEPARTMENT

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I had a question for the Minister of Agriculture but in view of his temporary absence from the house I will direct it to his parliamentary secretary or to the acting minister. In view of continuing reports that pressure is being brought to bear to have the board of grain commissioners transferred from the Department of Agriculture to the Department of Trade and Commerce, is the minister considering yielding to this pressure?

NATIONAL DEFENCE

AVAILABILITY OF REPORT ON REORGANIZATION OF MILITIA

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I have a question for the Associate Minister of National Defence. Will the minister put members of parliament on an equality with the distinguished members of the press gallery by making available copies of the Suttie report on the reorganization of the militia, which were distributed to the press two days ago?

Hon. Lucien Cardin (Associate Minister of National Defence): As the hon. member knows, members of the special committee on defence have been given a copy of the report to which he refers. One hundred copies in English and 50 copies in French have now been made available to members of the house.

Mr. Churchill: I am asking that all members of the house may have the privilege of seeing this document and having a copy delivered to them.

Mr. Cardin: I think copies are available to all members who are interested in this particular subject.

Mr. Churchill: On a point of order, it is not a question of who happens to be interested. Every member of the House of Commons is entitled to this report and to receive it at the same time as it is given public distribution.

Mr. Cardin: Very well; I will see that that is done.

Mr. A. D. Hales (Wellington South): A supplementary question to the associate minister. In view of the fact that the militia has dropped out of the civil defence role, with the exception of 1,500 men, could the minister advise the house under what department or whose supervision this work of civil defence will fall, and where these recruits will come from?

Mr. Cardin: Mr. Speaker, it is not true that the militia has dropped out of the civil defence role. As hon. members know, all men, whether they are in the regular forces or in the militia, have training in a civil defence capacity. What was said was that in the reorganization of the militia 1,500 militiamen would be specially earmarked for this type of role in order to back up the regular forces that are actually engaged in the survival role.

As my hon. friend may well appreciate, if there were a nuclear emergency then all the forces, whether they are regular or militia, would be engaged in the survival role, and these 1,500 men would have special training in order to be able to back up the regular forces in that role.

QUEBEC—PAYMENT OF MOVING COSTS OF RADAR STATION PERSONNEL

On the orders of the day:

[*Translation*]

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, last Tuesday the hon. member for Chapleau (Mr. Laprise) asked me whether any action had been taken in order to reimburse for their moving expenses the families which have been forced to move on account of the closing of the radar station at Parent.

In answer I may tell him that there were 66 full time employees at the Parent air base at the time of its closing. Fifty two of them have now got other employment.

The Department of National Defence has secured from the treasury board a special authorization to reimburse the moving expenses up to $500 in the case of every surplus employee transferred to a position in the federal government somewhere else. However, this special authorization is restricted to employees coming under the Civil Service Act and who occupy a post above the normal admission level. Experience shows that most surplus employees who accept transfers involving a change of residence can take advantage of this special authorization.

In the case of Parent, three surplus employees were provided assistance for their moving costs.

[*Text*]

REQUIREMENT RESPECTING BILINGUALISM IN CONSIDERING PROMOTIONS

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence based on sessional paper No. 93E which he tabled yesterday. I thought I had made my request clear, in that what I wished to have tabled was the order emanating from the minister's office or the office of the Minister of National Defence to the army with respect to the inclusion of bilingualism as a factor in the promotion of officers.

Inquiries of the Ministry

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, the order was submitted to me for my signature some time ago, but in substance it is exactly the order that I tabled yesterday.

Mr. Nielsen: Can the minister table the order, either from his office or the office of the Minister of National Defence, that went to the army and which resulted in the order signed by Major General Anderson, adjutant general, which in effect is sessional paper 93E?

Mr. Cardin: Yes, Mr. Speaker.

Mr. Nielsen: A supplementary question, Mr. Speaker. Sessional paper 93E sets out that there is a bilingual program and that the purpose of the order is to assess the success of the bilingual program. Since this concerns a matter of government policy, can the minister give the house a clearer indication of what bilingual program is under way in the army that is not under way in the navy and air force?

Mr. Cardin: Mr. Speaker, this would require a very lengthy answer and I would be happy to give it at some future time. I know the hon. member is aware that there are courses being given in French and English in the army and the other services and it is to these programs that the order refers.

Mr. Nielsen: I wonder whether—

Some hon. Members: Order.

Mr. Nielsen: Well, perhaps it might simplify things if I gave notice to debate the whole question at 10.30.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask a supplementary question—

[*Text*]

Mr. Speaker: Order. I do think that type of question should be on the order paper. I assume the hon. member for Yukon is giving notice.

[*Translation*]

Mr. Pigeon: Mr. Speaker, I wish to direct a question to the Associate Minister of National Defence.

Does the government intend to set up a progressive system to promote the use of both official languages in the armed forces and, at the same time, to train ships' crews that would be entirely French speaking or English speaking, as is done in Belgium?

[Mr. Nielsen.]

Mr. Cardin: Mr. Speaker, efforts are already being made in the armed forces to promote bilingualism.

With regard to the second part of the question, the possibility of having naval units working in each of the two languages has not been considered yet.

Mr. Pigeon: Mr. Speaker, a supplementary question. Is it also the intention of the minister to put bilingual signs on all buildings and properties of the three armed services?

Mr. Cardin: Mr. Speaker, where it would be logical to do so.

[*Later:*]

Hon. Léon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence.

Can he tell the house where, in Canada, it is illogical to use French on official buildings of the Department of National Defence?

Mr. Cardin: Mr. Speaker, if we want to be practical and logical, it seems to me that, in an area like British Columbia, for example, where there are no French—

Some hon. Members: Oh, oh.

Mr. Cardin: —it is illogical to put up signs in any language other than in English.

Mr. Balcer: Mr. Speaker, a supplementary question to the Associate Minister of National Defence. Why does he not study his Canadian history a little, as well as the part played by the two great races and the two languages in this country, and see to it, in future, that some reasonable applications are found for those two languages, so both races in Canada may really feel at home?

Hon. Maurice Lamontagne (Secretary of State): What did you people do?

Mr. Pigeon: You have to get a new minister.

Mr. Cardin: I do not need my hon. friend's invitation to recognize Canada's two great races. I suggest the Liberal party, since it has been in office, has done more to promote unity between those two great races than any other party.

Mr. Girouard: A supplementary question, Mr. Speaker.

[*Text*]

Mr. Speaker: Order. It seems to me we have had enough questions along this line, because we are getting into a debate, an argument. Surely we can get on with the business before the house.

Mr. Girouard: A supplementary question, Mr. Speaker.

Mr. Speaker: No, I do not think we should have any more supplementaries on this emotional and contentious subject at this time.

[*Translation*]

Mr. Réal Caouette (Villeneuve): On a question of privilege, Mr. Speaker.

The Associate Minister of National Defence has just stated that there are no French Canadians in British Columbia.

Some hon. Members: No, no.

Mr. Caouette: He stated textually that there are no French in British Columbia. Now, there are thousands in that province and the use of the French language deserves the same consideration in British Columbia as in Ontario or the province of Quebec.

Mr. Girouard: On a question of privilege, Mr. Speaker, I should like to point out—

[*Text*]

Mr. Speaker: Order. The last question was not a question of privilege. It was a statement; it was argument. I allowed it in order to get this matter terminated and get on with the business before the house.

Mr. Girouard: A question of privilege, Mr. Speaker.

Mr. Speaker: Order. The hon. member surely realizes he cannot just jump on his feet and allege a question of privilege. If it is on the same subject surely we have had enough discussion along this line.

[*Translation*]

Mr. Gérard Girouard (Labelle): On a question of privilege, Mr. Speaker. I wish to tell the minister that there are places in the province of Quebec where any knowledge of the English language is unnecessary, because people speak only French.

[*Text*]

Mr. Speaker: Order. This is the type of incident that the Chair does its best to avoid. I cannot see how it helps the business of the house or the feeling in the house.

PENSIONS

CANADA PLAN—SUGGESTED CONFERENCE RESPECTING PRIORITY

On the orders of the day:

Mr. Joseph Slogan (Springfield): Mr. Speaker, I have a question for the charming and urbane Acting Prime Minister. Has the government given consideration to the convening of a federal-provincial conference on spending priorities as urgently suggested by Premier Roblin? If so, what steps have been taken?

Hon. Paul Martin (Acting Prime Minister): Mr. Speaker, I have already answered that question.

Mr. Knowles: Two or three times.

Mr. Martin (Essex East): I have answered at least once a question put to me by the hon. member for Winnipeg North Centre, and in one of my replies I indicated clearly that, if Premier Roblin was suggesting there should be a delay in the Canada pension plan program, that was not the position being taken by the government.

CANADIAN FLAG

PARTICIPATION IN DEBATE BY GOVERNMENT AND OPPOSITION MEMBERS

On the orders of the day:

[*Translation*]

Mr. Gérard Girouard (Labelle): Mr. Speaker, I should like to direct a question to the Minister of Justice, as leader of the house.

In the same spirit as the hon. member for Beauharnois-Salaberry (Mr. Laniel) who spoke yesterday about the continuous repetitions concerning the flag, I would like to know if it is true that up to now 15 Liberals have spoken on that issue against 19 Conservatives. If such is the case, does the leader of the house find the discrepancy extraordinary?

Hon. Guy Favreau (Minister of Justice): I think, Mr. Speaker, that the answer to that question can be readily found in *Hansard*.

[*Text*]

HOUSE OF COMMONS

REPORTED ERRORS IN GOVERNMENT TELEPHONE DIRECTORY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I rise on a substantial question of privilege that affects members of the house, the staff, the press and the general public. Since this government has been in power the government of Canada telephone directory has contained numerous errors which I think should be corrected because they cause confusion and inconvenience.

I will bring to the attention of the members of the house that I have just received the latest edition of this telephone directory

and there is so much confusion, Mr. Speaker, that I find the Prime Minister's office telephone number listed on the cover as 232-4244, when actually it is 232-4211. I do ask that this be checked because there are numerous quite serious mistakes which could cause inconvenience and confusion.

EXTERNAL AFFAIRS

NATO—AGREEMENT RESPECTING EXCHANGE OF ATOMIC INFORMATION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Acting Prime Minister if he will have time next week to make the statement which he promised concerning the new agreement for the exchange of atomic information. Since he is about to relinquish tomorrow some of the heavy burdens of office which he has obviously relished, he may have time to deal with this matter.

Hon. Paul Martin (Acting Prime Minister): I shall be glad to deal with it right now. The purpose of the agreement is to take advantage of the 1958 amendments to the United States atomic energy act. These amendments broadened the scope of the information which the United States agreed to transfer to its allies. In this instrument the United States has committed itself to the principle of continuing to exchange nuclear information with its allies for planning purposes.

As I mentioned the other day, this in no way relates to the dissemination of nuclear weapons. Paragraph 2 of article IV clearly specifies that no atomic weapons or components will be transferred under the agreement. There will also be no transfer of information about the manufacture of nuclear weapons.

Mr. Churchill: May I ask a supplementary question. Is it not true that article III deals with the development of defence plans, the training of personnel and the employment of methods of defence against atomic weapons, as well as matters affecting the delivery systems of atomic weapons?

Mr. Martin (Essex East): The agreement provides for giving to the NATO allies and parties to the agreement information of an atomic character, but it has nothing to do with nuclear weapons as such because the United States, under its laws, maintain control of these. This agreement concerns the exchange of atomic information for the use of members in scientific purposes.

Mr. Churchill: May I ask another supplementary question of the minister. What progress is he making in negotiating Canada out of a nuclear role?

Mr. Martin (Essex East): This is not a related question. It has been answered; I think it was answered last week.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Perhaps my very important question of privilege will conclude the question period today, Mr. Speaker, and my inability to rise quickly in my place is related to my question of privilege. Following the contest that took place on the grounds of the parliament buildings last evening, I regret that a very doubtful report of the result was given to the Canadian public by the press gallery.

COMMONWEALTH CONFERENCE

INQUIRY AS TO REPORT BY PRIME MINISTER

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): For the benefit of hon. members, Mr. Speaker, will the Acting Prime Minister say if he is in a position to tell the house whether the Prime Minister, on his return from the prime ministers' conference, will report tomorrow or on Monday? It is very important that members know. Monday would be most satisfactory if that is agreeable to the government.

Hon. Paul Martin (Acting Prime Minister): I thank the right hon. gentleman for asking this question, because he will recall that two days ago I said the Prime Minister would be reporting on Friday. It is more likely than not that the Prime Minister will report on Monday. I cannot give a firm answer because when I was talking to the Prime Minister yesterday he indicated that he hoped to do it at the earliest possible moment, possibly Friday. The Prime Minister, however, is going to be arriving late tonight and I rather suspect that, for that reason, he may not be able to report until Monday. I am in the position of not being able to give a definite answer, which I am sure the right hon. gentleman will understand. If the Prime Minister can report tomorrow he will do so. If not, he will certainly do so on Monday. I shall be glad to try to advise my friend tonight about this. I hope that will be satisfactory.

Mr. Knowles: Might it not be a good idea to advise the whole house tonight at 10.30?

Mr. Martin (Essex East): We will try to do that The Prime Minister arrives tonight at nine o'clock. I am sure parliament and the whole country will be glad to have him back.

EDUCATION

MEASURE TO FACILITATE MAKING LOANS TO STUDENTS

The house resumed, from Wednesday, July 15, consideration of the motion of Mr. Gordon for the second reading of Bill No. C-110, to facilitate the making of loans to students.

Mr. Speaker: Order, please. There is a little bit of confusion at this moment which I believe we can settle very quickly. Last night the hon. member for Roberval was speaking, and he started his last paragraph with the words "In conclusion". Subsequently the hon. member for Macleod rose and asked if he could call it six o'clock. At that time the Deputy Speaker and the Clerk at the table felt that the hon. member for Roberval had not finished. In the circumstances I think that the floor should be given to the hon. member for Roberval.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Thank you, Mr. Speaker.

Last night in the confusion and perhaps because of my inadequate knowledge of the standing orders, I thought I had to resume my seat at six o'clock, but someone else called it six o'clock, which I should have done myself.

I thank you for your fairness toward me, because I have something else to say before concluding my remarks on Bill No. C-110.

It must be realized that two very important and obvious points emerge from this bill. There is, first of all, the assistance to be given to students and, second, the granting of this aid with respect to the constitution.

All hon. members admit that our students need some assistance at the present time to pay their tuition fees. There is no doubt about that. It is admitted that they absolutely need some assistance. We have proof of this every day in the letters and telegrams from our constituents, asking us to pass legislation providing for some assistance to students throughout Canada.

On the other hand, this assistance must not be a burden. When we are anxious to help someone, we do it gratuitously. We do not put him under a yoke, as I said yesterday. If, in order to help someone, we must dedicate him, so to speak, to the service of the banks for ten, 15 or 20 years of his life, I maintain that we are helping him the wrong way. If, for instance, a man buys his son a car, knowing his son cannot drive, and he buys him one anyway and his son goes over a cliff, I feel that this father has acted foolishly and irresponsibly.

That is how the federal government intends to help students, by putting a rope around their necks.

My second point concerns respect for the constitution. If we must indeed help, we must do it within the constitution. All members of this house know that education comes exclusively under the jurisdiction of the provinces and that this is guaranteed by the constitution.

Yesterday I heard an hon. member claim that the rights of the province of Quebec were safeguarded, but I wonder to what degree, when the interests are to be paid by the federal government. The students are referred to the chartered banks, and if they agree to lend them money, the government guarantees to the chartered banks payment of interest for five years.

Now, I do not understand how the Liberal members can claim that the rights of the province of Quebec are safeguarded simply because the federal government pays the interest to the banks. It is precisely on this point that we object. Whether it is given directly or indirectly, the money is given anyway, and it will come out of the taxes levied in the province of Quebec. That is where we say that the federal government, through this legislation, is encroaching on the rights of the province of Quebec, as well as on the rights of the other provinces.

That is why, generally speaking, Mr. Speaker, we, in the Social Credit rally, want to introduce an amendment which will permit the government to respect the constitution and guarantee to the students the amounts of money they require to complete their education.

I move, seconded by the hon. member for Quebec West (Mr. Plourde):

> That the Bill C-110 be not now read a second time, but that it be resolved that in the opinion of this house the government should consider the opportunity to present new legislation which would authorize the Bank of Canada to supply to the provinces the necessary credits to permit them to fulfil completely their responsibilities in the field of education.

Mr. Speaker, we have received several telegrams from members of the teaching

profession in support of our amendment. The students of the province of Quebec realize also that they need assistance, but they feel it should not be forthcoming as provided in Bill No. C-110; they want the responsible government, that of Quebec in the circumstances, to help them without any strings attached. That is why they object to this legislation. I have here a telegram which was sent by Montreal university students to the hon. member for Lapointe (Mr. Grégoire), house leader of our party.

Mr. Grégoire, Ralliement Créditistes, M.P.,
Parliament Buildings, Ottawa.

Sir,

We are quite disappointed with the government's attitude with respect to Bill No. C-110 concerning a student loan program. In our opinion, it is inadmissible that the federal government should encroach on a field of exclusive provincial jurisdiction. Under the circumstances, you Quebec members cannot vote in favour of this optional policy. The true solution to the problem of general access to education is free tuition. As you know, passing Bill No. C-110 would make difficult any sort of education planning in the provinces. We feel that you must ask the government to return to the provinces their fields of taxation—

That is precisely the point I emphasized yesterday. The provinces should be given back, once and for all, their taxation rights. Then the federal government would not, like a collector, have to steal taxes in order to return to the provinces the amount it is willing to hand over.

Mr. Béchard: Mr. Speaker, would the hon. member allow a question?

Mr. Gauthier: Yes, Mr. Speaker.

Mr. Béchard: Could the hon. member tell us the date of the telegram and also let us know who signed it? Moreover, can he tell us the date of the meeting during which the university students came to that decision?

Mr. Gauthier: Mr. Speaker, the telegram is dated July 16, and signed by the president of the general student association of the University of Montreal, Mr. Michel Vaillancourt.

Mr. Béchard: Mr. Speaker, can the hon. member tell us whether a general assembly of the students of the University of Montreal was held since the bill was introduced in the house?

Mr. Grégoire: Mr. Speaker, does the hon. member for Bonaventure mean that the president of the student body is not authorized to send telegrams on behalf of the association members?

[Mr. Gauthier.]

Mr. Gauthier: Mr. Speaker, the hon. member certainly knows that when telegrams are received, as in the case of the truckers' association the other day, nobody checks whether the organization concerned held a meeting. We take the word of the person who signed the telegram, particularly when it is the association's president. I think that the hon. member who just asked this question should be bright enough to understand this.

An hon. Member: The telegram was probably sent by a member of the Social Credit.

Mr. Gauthier: An hon. member just interjected the remark that it probably was sent by the Social Credit. For his information, I must tell him that the telegram was sent from the University of Montreal.

[*Text*]

Mr. Deputy Speaker: Order. Perhaps at this point I should put the proposed amendment to the house.

[*Translation*]

Mr. Gauthier, seconded by Mr. Plourde, moved:

That the Bill C-110 be not now read a second time, but that it be resolved that in the opinion of this house the government should consider the opportunity to present a new legislation which would authorize the Bank of Canada to supply to the provinces the necessary credits to permit them to fulfil completely their responsibilities in the field of education.

I must advise the house that I am not too sure the amendment is in order, and I would be ready to give a ruling, unless some hon. members wish to comment on the legality of the proposed amendment.

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, on that point, I would ask you to refer to Beauchesne's fourth edition, in English of course since we are still waiting for the French version, in particular to citation 382, page 277, which reads as follows:

[*Text*]

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution—

[*Translation*]

Mr. Speaker, in my opinion, that is exactly what we are doing now by moving this amendment. We want to indicate that we

disagree with this bill. As stated in Beauchesne's citation, we do not want the motion for second reading of the bill now before us to be agreed to, and that is why our amendment states "that the bill be not now read a second time". In so doing, we adhere strictly to the principle stated in Beauchesne's citation No. 382.

Our amendment is, in fact, a resolution declaratory of some principle adverse to the principle of the bill now under consideration. Instead of setting forth the principle stated in the legislation dealing with loans by the federal government, we are setting forth an adverse principle, one dealing with bursaries or assistance to students, through the provincial governments. This is in accordance with the provisions of citation No. 382, and I am of the opinion that it is the way suggested by Beauchesne's Parliamentary Rules and Forms to have the house consider an amendment like the one now being submitted to the house.

[*Text*]

Mr. Knowles: I wonder if I may say a word on a point of order. May I indicate, first of all, that as I see it the passing of this amendment would mean the defeat of Bill No. C-110. We have indicated that we give the bill qualified support; in other words, we are prepared to vote for it and see it brought into law. Therefore—though I have not had a chance to consult my colleagues and see what views they may have—it would be my view to vote against this amendment if it were allowed.

However, it seems to me serious consideration should be given to the question Your Honour has raised. It appears to me that the amendment is in order. First of all, an amendment of this kind cannot quibble; it must imply opposition to the motion before us. The hon. members to my left do not quibble. They are opposed to the bill in its present form, so the amendment is in order on that score. In the second place, an amendment of this type must offer some principle adverse to or different from the principle, policy or provisions of the bill. Certainly this is what the proposed amendment does; it submits for our consideration something which is quite different from what the government proposes.

I do not have at hand examples of this kind of resolution—perhaps, if I had a minute, I could find them—but I know there have been many in the past. Amendments similar to the one now proposed have been ruled out because they were worded in such a way as to try to say yes and no at the same time, but this resolution makes no attempt to do that. It says "no" to the bill as it is and puts forward an alternative proposition.

Therefore, though I do not agree with the substance of the amendment, it seems to me that it is within the four corners of citation 382, and unless Your Honour has some better reasons for taking a contrary course I think it should be allowed as being in order.

[*Translation*]

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I do not wish to discuss the validity of the proposed amendment, because I am not in a position to determine the value of the arguments put forth in its favour.

However, I should like to deal briefly with the reasons given for introducing this amendment. First, I want to refer to an article written in *Le Droit* by Mr. Charpentier, who indicates that only the leader and the deputy leader of the Ralliement Créditiste—

Mr. Grégoire: On a point of order, Mr. Speaker. You will recognize that we are now discussing the validity of the amendment. Now, if the hon. member for Quebec-Montmorency wants to speak against the amendment, he will have an opportunity to do so when we debate the matter before the vote.

The hon. member for Quebec-Montmorency will get his chance to speak to the amendment if he wishes, but, at the present time he is wandering from the question now before us, that is, whether or not the amendment is in order. Therefore, I think that you should ask the hon. member to follow the rules and to keep to the subject before us.

Mr. Deputy Speaker: Of course we are now on a point of order, and I presume that the hon. member for Quebec-Montmorency should confine his remarks strictly to the question of whether or not the amendment proposed by the hon. member for Roberval is in order. I suggest that the hon. member confine his remarks to that particular point.

Mr. Marcoux: I thank you, Mr. Speaker, for accepting the opinion of the hon. member for Lapointe. I am sure that he was right.

My intended remarks were along the same line as those of the hon. member for Winnipeg North Centre (Mr. Knowles), who gave several reasons indicating why he would be opposed to the amendment, while still contending that the amendment was in order.

I merely wanted to invoke similar arguments as those put forward by the hon.

member for Winnipeg North Centre. But as I am most respectful of the rules of the house, I will continue my observations at some other appropriate time.

Mr. Deputy Speaker: Serious arguments have been put forward to the effect that the amendment moved by the hon. member for Roberval was in order, and I thank the hon. members.

With leave of the house, I would like for the next few minutes to consider the various aspects of the proposed amendment, and in the meantime, I would call on the next speaker, the hon. member for Macleod (Mr. Kindt), to go ahead with his remarks, after which I think I will be in a position to make a ruling on the proposed amendment.

[*Text*]

Mr. Lawrence E. Kindt (Macleod): I have learned a couple of things in the last half hour which I did not know before as a member of this house. I have learned how to make two speeches on one subject and how to get the Speaker to agree to an extension of the time allotted despite a clear statement that the hon. member for Roberval had reached a conclusion. Last evening, as reported in *Hansard* on page 5535, the hon. member for Roberval at the end of his remarks said "In conclusion, I ask the minister to authorize the Bank of Canada—" and so on. Then he sat down. After he had sat down I, being the next to speak, rose and said "Mr. Speaker, may I call it six o'clock?"

Since the adjournment yesterday the group in the far corner decided they wished to bring in an amendment. Today they came before this assembly and were successful in having the hon. member's time extended so he could make not just a few additional remarks but a 15 minute speech and, all in all, take up an additional hour or more of the time of this assembly.

Now who is taking up the time of this house? Who is preventing us from getting ahead? I did not want to let this opportunity pass without making some comment about it, because it grinds me to the core. This thing which has taken place right under our eyes is one of those damnable things which has slipped by the Speaker, who in all good faith—and I will back him up—thought the member in the far corner was genuine in wishing to make only a few additional remarks. What has transpired since, particularly the advancing of the motion which has just been put forward, shows that the whole thing was a planned intrigue. That kind of manoeuvre is not good practice.

Now we are back on the subject of student loans. I want to say to the Minister of Finance —and most of my remarks will be directed to him—that because we are all in favour of student loans no one will fault him for bringing in such a measure; in fact we are all in a position to compliment him in this regard. But I do think he ought to give further consideration to some of the machinery that he plans to set up in order to administer these loans.

First of all, Mr. Speaker, let us go back to the question of the interest rate which the minister mentioned yesterday. He said he understood that the interest rate charged by the banks would be around 5¾ per cent. I ask the house and the minister to consider this point. There is no risk to any lending institution; the loan made by a bank is fully guaranteed as to interest and principal, and if the borrower dies the minister pays the bill. Therefore the question of risk, which usually determines bank interest rates, in this case does not arise because the loan is fully guaranteed.

Let us look at the total value of the loans to be made. The minister said students may apply for loans in the period one to five years. Then when the student had graduated, or shortly thereafter, there would be a period of between two and ten years in which the student could repay the loan. The minister also said that about $40 million would be required yearly to operate the provisions of this bill.

If you do a little bit of mathematics and assume that during the first five years $200 million would be loaned to students under this program, and if the students are given from two to ten years in which to pay back the loans, it is conceivable that before this program levels out into something in the nature of a revolving fund, something in the neighbourhood of $800 million will have been lent to students and will be outstanding. The minister said yesterday the figure would be somewhere around $500 million; other hon. members have mentioned $800 million. In doing some figuring of my own I think perhaps $800 million in a matter of 10 or 12 years, when this levelling out process has taken place, would be about the figure that would be reached. If this is so, when you calculate the interest at 5¾ per cent on $800 million, this equals $46 million in interest each year that will be paid to the banks of Canada. This is a pretty big gravy train.

This is the amount of money which this legislation is going to place in the hands of the banks.

We all know that the banks are doing a great job, but what we want to do in this regard is set up a piece of machinery which will mean that something less than $46 million in interest will be paid out by the students and taxpayers of Canada; because, as the bill stipulates, the taxpayers of Canada will pay the shot until six months after the student graduates. The federal government and students will eventually pay the total interest on the loan as well as repay the principal.

I ask the Minister of Finance, what is going to happen when you lend $800 million through the banks of this country? That is going to act as a sponge and absorb a large proportion of the loanable funds. In other words it will have a tendency to raise interest rates. It will also have a tendency to make it more difficult for provincial governments, municipal governments and local governments to obtain loans; and when they do obtain such loans, in all probability as a result of this program they will have to pay higher interest rates.

I want to see the Minister of Finance evolve a plan which will overcome this difficulty. If the minister looks into the economics of the program he will be able to come up with a solution. So I say to him that the thing to do is take another look at the industrial development bank and its methods of financing. They issue bonds and debentures which are taken up by the Bank of Canada. We know how they operate with regard to expenses; after they have paid the expenses, including the cost of the funds obtained from the Bank of Canada, the net revenues go back to the general revenue of the Bank of Canada.

I want to see a similar plan developed in order that students and taxpayers of Canada will get the benefit. The way the Minister of Finance has this program set up, it will go to the banks and to Bay street. It depends upon the bias of the Minister of Finance as to whether he wants this program carried out so the students and taxpayers receive the benefit, or whether Bay street and the national banks receive the benefit.

There is no use in the minister laughing. If he does not know enough about economics to set up a plan that will work for the benefit of the students and taxpayers, a plan such as I have just described, then somebody else should be minister of finance; there is no question about that. The Secretary of State for External Affairs can walk out of the chamber; but let me say to those hon. gentlemen who sit on the treasury benches that they are asking the people of Canada and the students of Canada to pay $46 million in interest annually to the banks that may be involved in this program.

I think there are alternative ways in which this program can be set up. We have the precedent set by the industrial development bank. If the minister has made studies of monetary theories and banking he will know that this program should not be set up in the way he has proposed. I ask him to look into these matters and provide the students and taxpayers with the benefits that could be derived from this program which is now set up to cost $46 million per year in interest. The economics of such a scheme are sound, as I have already indicated, and if it is not put into effect it will be because of one of three things; either the bias of the Minister of Finance, his ignorance of monetary theories, or his inertia to undertake anything that is not quite orthodox.

I now want to deal with other phases of this program, Mr. Speaker. Who gets the loan? Now the hon. member who is sitting beside the Minister of Finance is laughing and having some fun; but let me tell the hon. gentleman opposite that when we get into the details of this measure we shall have more to say. I want to conclude, Mr. Speaker, because the Chair is going to make a ruling on some matters following my remarks. There are a lot of other problems in addition to the one I have already mentioned, but the interest rate is of paramount importance. No one will get off interest free under the plan I have advocated. I am not advocating social credit. I am advocating a plan similar to the industrial development bank which could be implemented by this government or by any other government in power and which would give both the taxpayer and the student the benefit. If the Minister of Finance or the Secretary of State has not thought through it they had better do so right away.

To finish the thought regarding who gets the loan and how this will be determined, under this bill the Minister of Finance has shifted that decision to the provinces. It is a situation which has qualifications, but we are not told how it is determined as to which student will succeed. In other words, one student who really needs the money might receive a loan. Another student may have money in his pocket and want to invest his

own money and use interest free money provided by the government. So you can see there are a lot of problems in determining who gets a loan and how it is to be administered.

I am glad to see that these loans provided by the bill will be available not only to university students but to students of technical, vocational and even normal schools. I think there will need to be some extremely intricate population studies in order to determine who should be trained, where the need lies for training, and also to ensure the direction of students into fields where the need is greatest. For example, I have in mind dentistry, medicine, engineering etc. In other words, students should not be left to their own understanding of the problems but should be given some guidance through these population studies.

In addition to making these loans to students the facilities which are to be built at universities are extremely important. If we are going to get several thousand additional students in our universities it is necessary to increase the facilities of those various institutions. Unlike the hon. member for Lapointe I hope all provinces will enter into this scheme wholeheartedly so that our children may have the benefit of being sent to a school in Quebec or to some other institution in another part of the country. Any program of loans which encourages students to train and prepare themselves is, of course, in the interests of Canada. I have long advocated a measure to provide loans to students because I fully appreciate what a help such a measure would have been to me during my undergraduate and graduate days.

[*Translation*]

Mr. Deputy Speaker: Order. Before recognizing the next speaker, it would probably be in order for me to comply with the wish of the house and give a ruling as to whether the amendment or proposal moved a moment ago by the hon. member for Roberval (Mr. Gauthier) is in order.

As I said a moment ago, I was far from sure that the amendment was in order. At first sight, the hon. member's proposal seemed a new proposal, different from the one which is before the house. On the other hand, following the argument raised by the hon. member for Lapointe (Mr. Grégoire), I admit that the amendment, if you can call it that, or the proposal is not adverse to the principle of the bill.

I feel I must give special attention to the arguments raised in favour of the legality

[Mr. Kindt.]

of that amendment by the hon. member for Winnipeg North Centre (Mr. Knowles) and by the hon. member for Lapointe.

As there are serious doubts about the proposal or amendment, I think it would be in order for the Chair to give the benefit of the doubt to the hon. member who made that proposal, while pointing out to the hon. members and the house that the proposal is accepted because it does not extend the scope of the proposal now under consideration and that it must not be considered as permission to extend the limits of the debate, which of course will have to deal with the bill now before the house.

Mr. Gérard Chapdelaine (Sherbrooke): Mr. Speaker, I feel it is my duty to take part in this debate as a representative from a region where is located the most flourishing university of the country and on the border of which is located a university recognized throughout Canada, that is the universities of Sherbrooke, and Bishop's at Lennoxville.

Another reason why I wish to speak on this issue is that I live in a province which is undergoing deep changes in all fields, but especially as far as education is concerned.

I should like to say that I am in favour of any form of assistance to students, even if that system should run students into debt, as the hon. member for Villeneuve (Mr. Caouette) pointed out, because I feel it is better to be in debt at the end of one's studies than not to complete those studies.

I know what that means personally, because I had to get into debt to finish my studies. As everybody knows, that is a painful situation and it may be that the student who has to work because of his financial troubles will not benefit from his studies as much as he should. Our students must not, on account of a lack of funds, be placed in the situation where they will one day have to admit that they are not as competent as they would have been if they had had no worry besides their studies.

Even though it is incomplete and unconstitutional, as I will show later on, the proposal under consideration is worth while, and the government was well-intentioned in introducing this legislation.

As I said, I believe the bill is definitely incomplete, and particularly unconstitutional. I should like to go over it, step by step, starting with section 2 giving the definition of "bank":

"bank" means a bank to which the Bank Act applies.

Now, under the Bank Act, the caisses populaires will not be allowed to make loans to students under this legislation. Failure to authorize the caisses populaires to act as lending institutions under this act is a slight on the province of Quebec, for there are more than 1,300 branches of caisses populaires in the province of Quebec, all sound institutions which can, just as well as the banks, comply with the requirements of this bill.

Furthermore, Mr. Speaker, here is how section 2(e) defines "certificate of eligibility":

—a certificate in prescribed form issued or caused to be issued by an appropriate authority relating to a qualifying student—

I read the whole bill and I failed to find what is a "qualifying student", what are the requirements asked of a student to become eligible for those loans.

I think there should be a definition stipulating that any student who passes his examinations is eligible to apply for a loan. I think that should have been specified in the bill.

The bill provides that only full time university students may benefit from those loans.

There are in my riding, as in all university towns, a growing number of adults who wish to get a university education by taking evening courses, or who would like to go back for a year in order to get enough credits to obtain a B.A. or some other diploma they could show the boss and thereby get a promotion.

I feel it was a great mistake, in this bill, not to have adults also entitled to those loans so they could improve their education.

Now, there is another point I think was overlooked in the determination of the required qualifications to obtain such a loan. I refer to a student who spends two years in the same grade. Under this legislation, would he be eligible for the same loan the second year? Must the amount of $5,000 be spread over five consecutive successful years in university, or will the student who has failed one year still be entitled to the loan for that year?

Nothing in the bill covers the case where a student, after completing his university studies and obtained the amount of $5,000, should decide to specialize. Will he have to pay back his loan immediately, that is, after a six-month period, when he may still find himself taking courses following a five year period, according to the requirements of his studies, his specialty or doctorate?

In my opinion, this point should have been set out clearly in the bill.

Clause 9 also provides that:

The minister may pay to a bank a prescribed amount in respect of any sum collected by a bank on behalf of Her Majesty from a borrower after any payment is made by the minister to that bank pursuant to section 7, in respect of a guaranteed student loan made to that borrower.

I think that the amount in question should have been specified in this clause, and if the amounts claimed by the banks are too high and the government has to pay an unreasonable amount for the collection thereof, I feel that this will increase the rate of interest on each loan.

Now that I have raised some points and mentioned some deficiencies in this bill, I should like to deal with the constitutional part thereof.

I do not want to speak of federal intrusion in a provincial field because many others have dealt with that matter. As far as I am concerned, I do not think that the fact that student loans are provided by the federal government constitutes an intrusion in provincial affairs. In my opinion, this is strictly a business proposition and students are free to borrow or not to borrow the money, according to their own convictions. Besides, the sums to be borrowed under this legislation will not necessarily be used entirely to pay for their studies. The borrower is free to use his money as he sees fit.

I do not think that it is any intrusion in the field of education to offer money to someone with the idea that, later on the amount will be used to complete his studies, because the student can use the money for all sorts of things. In my opinion, this is purely and simply a business proposition.

But the constitutional aspect that I want to raise concerns section 15 of the bill, which says:

A guaranteed student loan made by a bank to a borrower not of full age, and interest thereon other than interest payable under section 6, is recoverable by a bank from the borrower as though the borrower had been of full age at the time the loan was made.

The point is, Mr. Speaker, that in the province of Quebec we have a civil code. We are governed by it and the legal capacity of people is determined by the civil code of the province of Quebec, while in the other provinces, the legal capacity is determined by the common law.

Under section 986 of the civil code of the province of Quebec, we see that:

Those legally incapable of contracting are:
Minors, in the cases and according to the provisions contained in this code;

Then there is a list of other persons unable to enter into contracts.

Cases where minors can enter into contracts are listed in the following section which gives exceptions and details. Section 1005 states the following:

A minor who is a banker, trader or mechanic is not relievable for cause of lesion from contracts made for the purposes of his business or trade.

There is no mention of students in that section since it mentions only bankers, traders or mechanics. Consequently, the minors in question, under that act, are neither bankers, traders nor mechanics.

There is also section 1011 which could alleviate suspicions. It says that the money paid during the minority cannot be exacted, unless it is proved that what has been so paid has turned to their profit.

This section might justify section 15 of the bill, but I think that this case does not apply either, because this section provides mostly for the cases where under age students involved sell or buy something for a price and try to obtain repayment of the money they would have paid, when they would come of age or even before when they were unable to enter into a contract.

Even though this section could remove in the minister's mind the suspicions that the government certainly has about those loans—because if it had no suspicions with regard to minors, this section would have been unnecessary—even though this section could lead them to believe it would be legal, I think that the fact alone that the federal government attempts to legislate on the legal capacity of the Quebec people makes the whole measure, and not only section 15, unconstitutional.

Consequently, section 15 proposes an amendment to the civil code of the province of Quebec, that only the Quebec legislature is entitled to make under the constitution.

If we allow this bill to be passed in this house, it will be a dangerous precedent, because then, it will be possible federal legislation, to amend the civil code of the province of Quebec and to insert in it sections such as section 15 of the present bill.

Mr. Côté (Longueuil): Mr. Speaker, would the hon. member allow a question?

Mr. Chapdelaine: Certainly.

Mr. Côté (Longueuil): Mr. Speaker, is the hon. member aware of the fact that the province of Quebec does not intend to take advantage of this legislation?

Mr. Grégoire: The bill does not say so.

Mr. Chapdelaine: That may be, Mr. Speaker. Indeed, I have the impression that during the last federal-provincial conference Quebec stated its intention of setting up its own student loan system, however, that is no excuse for us, Quebec members, to let the federal government enact legislation concerning the civil code of our province, even if Quebec does not intend to take advantage of such legislation.

Once this legislation is passed, it will amend our civil code, thus creating a precedent in the legal annals of this country. I think this cannot be accepted by Quebec.

Mr. Paul: Mr. Speaker, would the hon. member allow a question?

Mr. Chapdelaine: Yes, Mr. Speaker.

Mr. Paul: Mr. Speaker, does the hon. member not think that this legislation, in its present wording, can also apply to other provinces, that is as far as other provinces are concerned, the matter comes under provincial jurisdiction, not exclusively in the case of the province of Quebec, since education comes under exclusive provincial jurisdiction? Besides, does the hon. member think that there can be encroachment by the federal government under the pretext that this might offer or constitute assistance for the other provinces?

Mr. Chapdelaine: Mr. Speaker, the matter I am now discussing is simply the legality of section 15 of this bill.

I think that common law is constituted by federal and provincial legislation passed by the other provinces, except Quebec, and if this section is accepted by Quebec, it is also accepted by the other provinces, because they are governed by common law. In the province of Quebec, it is different. In fact, we are not governed by common law, but we have our own laws, our civil code. Therefore, we cannot accept to have this section included in legislation which could, in future, be accepted in the province of Quebec.

In my opinion, the only legal and constitutional way to draw up such a clause would be to add the following at the end: As if the latter had been of age at the time the loan was granted, except in the province of Quebec where the legal capacity of citizens is determined by the civil code of the province of Quebec.

Then, if the province of Quebec wishes to establish its own system of loans to students, it could legislate and amend the civil code by stipulating in its bill: For the purposes of loans to students in the province of Quebec, those under age will be considered as being of age at the time of the loan.

But at the present time, a federal piece of legislation changes the legal capacity of those under age in Quebec and I feel that it is entirely unconstitutional and that the principle is unacceptable to the citizens of Quebec.

Those are, Mr. Speaker, the few remarks which I wanted to make about the bill under consideration. Before moving passage of this bill, I believe that the Minister of Finance, in consultation with the Minister of Justice, should find another formula to amend that clause. He should ask the advice of experts or others. In any case, the present provisions of section 15 are unacceptable and I do not think that a single Quebec citizen could vote in favour of that clause, because it would be to vote in favour of a very dangerous precedent.

Even in the good faith of students or of those covered by that bill can be accepted beforehand, I feel that we cannot, on that matter of principle, support such a bill, because it affects directly what, to my mind, is the most sacred right of the Quebec citizens, the right to draw up their own civil legislation.

[*Text*]

Mr. H. C. Harley (Halton): I am pleased to be able to participate in this debate today and speak in support of the student loans bill for post-secondary school students. I wish to take a few minutes of the time of the house to make a suggestion which I hope the government will take into consideration in the near future. I am sure most members are aware that at the present time the armed services recruit people in their last years of higher education, then pay for their final years of schooling. In return the students serve either three, four or five years in the armed services.

I should like to suggest to the government that they consider this method of repayment of the loan instead of cash. We could possibly call it a time repayment. The recipient of the student loan would donate, if you want to use that word, his services for a period of time in his chosen profession to the government of Canada. This time would be in proportion to the investment that Canada had made in his career. During his period of service he could be sent anywhere overseas—I am thinking particularly of the backward countries of Asia and Africa—where his ability, skills and training would help others to help themselves. It would be the primary occupation of this person to teach these backward people so that they in turn could pass on this information—to others of their own race and their own land.

In this way, Mr. Speaker, we could help the underdeveloped and poorly educated peoples to progress with their own educational systems. This would then become part of Canada's external aid program. Canada would be doing this as part of a long range aid program to these countries, and at the same time would benefit her own Canadian citizens by providing them with needed help for their education via this student loans measure.

Once the person had served his time, whatever time was decided upon, he would then be free to undertake any employment he wished in any place. It is a well known fact, Mr. Speaker, that many of our Canadian people who are highly trained and educated migrate to the United States. This is one export, that of Canadian skills and brains, that we should endeavour to decrease. I feel the system I have suggested would encourage Canadians, after this period of service was up, to remain in this country and use their skills and their knowledge for the benefit of Canadians as a whole. If thought desirable, a further clause could be added to the bill requiring Canadian residence for a specific period of time as a condition of the granting of such loan.

So far as the amendment is concerned and the feeling of some members that this is unconstitutional, I am not a constitutional expert but I should like to point out that this bill does not create a precedent in the matter of federal aid for education. I would point members to the fact that after world war II thousands of veterans received their education under the auspices of the Department of Veterans Affairs. That department paid their fees, gave them a book allowance, and paid them a monthly allowance while they attended university. Many thousands of veterans used this federal aid to obtain their education and are now using their skills and their training to the benefit of Canada and Canadians. Without this aid that was provided by the federal government, many of these students would not have had the opportunity to continue their studies.

I promised the house I would only take a few minutes of its time, Mr. Speaker. In sum-

mary I would just like to say that the suggestion I have made to the government that the money be repaid by donating their time, in lieu of money, to Canada's external aid program would benefit many different people and many different areas. First, the student would receive his education under the auspices of the student loans act. Second, Canada's external aid program would be increased and we would offer greater aid to the backward countries. Third, Canada would have a continuing supply of well trained and educated men and women.

Mr. Heath Macquarrie (Queens): Mr. Speaker, I am happy to have the opportunity to say a few words on this legislation, and like the hon. member who has just sat down I am utterly sincere when I say "a few words." I was impressed with his suggestion and I think it should receive favourable consideration.

I am going to be brief because essentially I agree with this legislation. Sometimes it is said that parliamentarians take an awful long time to say yes, but that is the essence of the parliamentary system. As I say, I am going to be brief because I am one of those who believe the House of Commons should not be sitting in July and August. If we have come to the stage that it takes the House of Commons ten months to transact the people's business, all I can say is that I have never been able to see anything sacrosanct about the months of July and August and why these should be included among those ten months devoted to our work in Ottawa. Also, since we are talking about youth it would be a good thing to allow some of us young if not young looking members to spend some time with the members of our families, and it is not easy to do that labouring in heat oppressed Ottawa.

I shall not, like some members, give a catalogue of universities. Much of my life has been spent in universities. I recall a former professor who used to say in high dudgeon when he was dissatisfied with administration policy, "I have been kicked out of better universities than this." I have never had that actually happen to me, but over the years I have come to know something about the tremendous needs of universities and I do have the honour to represent a constituency which has two fine educational institutions whose problems are similar, if not identical, to those facing every institution of higher learning in the country. St. Dunstan's University is an institution which for over a century has served the whole of Prince Edward Island, with students coming to it from beyond the province and indeed beyond the country. Prince of Wales college is a junior college maintained by the provincial government.

I am in agreement with those who have said heretofore that while this is important it is not sufficient, and in my opinion it is not so important as some of the other youth plans of the government. The youth plans which the Liberal party had when it was seeking to be the government were certainly impressive, and if I may give the government a bit of political advice—and I should not do this as a member of the opposition—one of the problems it is facing today is that our young people are becoming a bit disillusioned and disturbed by the non-fulfilment of some of the government's promises. The scholarship plan was an important one.

It has already been laid on the record and the story well told that universities today face great problems in the provision of buildings and facilities. I would not say that there were not some potential university students in the country who cannot finance their education, but I think all educators know this problem is not nearly as grievous as it once was. I would not suggest either that it is a good thing for young people to struggle and strive to take on all sorts of extra moonlighting jobs in order to complete their university training. Perhaps for a Calvinist I am a little weak-kneed in stating this point, but even though I did do it myself I would not prescribe it as a recipe for all aspiring students. Therefore I commend the government for what has been done. But the government must do more.

We have been talking about priority legislation. Sometimes we wonder whether this is more important than that, whether something is so important that we must do it before we can have an adjournment, and whether something else may be delayed. Let us not delude ourselves. There is nothing as important as the very subject with which we are coping today. Someone has said that references to the future of our country and its human potential are clichés. Of course they are but none the less true. We may want vast public works; we may want a lot of things, but if we do not have a highly trained group of young people to cope with the complexities of modern life in this highly advanced country, then we will have failed.

I know there are problems of jurisdiction. I know that education is, if I may say so, the sacred right of the provinces. I know too

that in education, as in many other problems, the resources of some of our provinces are not sufficient to meet the needs. So what do we do under those circumstances?

In a publication which recently came to me, "Financing Higher Education in Canada" published by the Canadian universities foundation, I note that in the years 1958 to 1963 federal government support to universities totalled $245 million. We cannot say that the federal government is not involved in education. Many examples of this have been cited. Nor can we ever expect this country, composed as it is of provinces of such varying resources, so unequal in wealth, will ever see a situation where the demands upon the federal government through whatever agencies may be involved will not become greater and greater rather than diminish.

This is not the place to enter into the kind of argument which the hon. member for Vancouver Quadra (Mr. Deachman) made yesterday, although I believe it is a tremendously important field to which Canadians, and certainly Canadian legislators, must soon direct themselves. As a great Canadian scholar said the other day, so often we find that those in the dominion field of government approach the provinces with such timorous politeness, and it seems that very little is left on the dominion side of things.

As I was thinking of the importance of this subject, Mr. Speaker, hoping that I might join my voice with those of my colleagues who have supported the government, and not ignoring the very valid criticisms which have come from all parties in the house, my mind went back to a very important little story that I read some time ago about that wonderful part of the United States, Vermont, which, at its best, is very much like the maritime provinces. Dorothy Canfield Fisher in her book the "Vermont Tradition" tells a story which strikes me as being most germane to our discussion. In her home town there was a great problem about highways and an urgently pressing problem about a bridge, and in mountain communities bridges are tremendously important.

So this little town meeting, this very gem of democracy, was faced with this problem. But they were also faced with the problem of educating their local youth.

> In a mountain town with flash floods roaring over the banks of its watercourses after hard rains, bridges have an imperious priority. Our bridges needed reinforcement, not only from recurring high water, but against the great tonnage of modern traffic. It would be dangerous not to rebuild them. It would take all the resources of a poor mountain town to keep our bridges in repair. To add to that expense the enormous cost of a new school—insane.
>
> The tangible needs of the body and the impalpable needs of the mind and spirit stood up to see which was the stronger. The material needs outshouted the ideal. They sounded real and actual. The little flickering flame of responsibility for the future of the town's children died down to a faint glimmer in the hearts of the men and women whose votes would in a few moments make the decision.

Then up sprang Patrick Thompson, the son of an immigrant, and he said:

> "We are being told that our town cannot afford to keep its bridges safe and also to provide for its children a preparation for life that will give them a fair chance alongside other American children.
>
> That's what we are being told. Not one of us here really believes it. We just can't think what to say back. But suppose it were true—Then I say, if we have to choose, 'Let the bridges fall down.' What kind of a town would we rather have, 50 years from now—a place where nitwit folks go back and forth over good bridges? Or a town with brainy, well-educated people capable of holding their own in the modern way of life? You know which of those two is really wanted by every one of us here. I say, 'Let the bridges fall down.' "

That is also my scales of priorities. I support the government in this step and I hope it will be one of many which will follow, longer, more venturesome and more helpful in this important field of education.

Mr. R. W. Prittie (Burnaby-Richmond): This is the third day we have spent on this debate. I do not think we should apologize for that, because we are dealing with a subject which is of great importance. The subject is worthy of our time. I wish I could say the bill presently before us is worth the time we are giving it.

Inevitably, when the needs of higher education in Canada are discussed, one of the central points at issue, and one to which reference has been made frequently in the last three days, concerns the role of the federal government in the field of education having regard to the provisions of section 93 of the British North America Act, and I shall have something to say about that later.

I have followed the whole of this debate closely—I might say that I have been waiting for my own turn to speak—and I have not missed one of the speeches made in the last three days. During that time it has occurred to me—and this may be of interest—that though we have five parties represented in this house at the present time we really ought to have six. It is apparent from the speeches of the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) the hon.

member for Berthier-Maskinongé-Delanaudière (Mr. Paul) and some others that their opinions are completely at odds with those of their party on this question. I have watched these differences develop on the question of federal-provincial finances. Then there were serious divergencies of view on the flag issue. These disagreements came up again when the administration of the Eskimos was under discussion. They are becoming so sharp and so frequent that I suggest there is room for six parties.

Mr. Pigeon: We are not slaves in our party.

An hon. Member: Stick to the bill.

Mr. Prittie: I want to congratulate some of the backbench Liberal members—the younger members of that party—on the good work they have done in praising this bill before the house. I know it falls so far short of their expectations and of their promises during the election campaign that privately they must be very disappointed. Despite this they have done an excellent job of concealing their disappointment and praising the bill.

But to get to the bill itself. A number of speakers have referred to the plan for student veterans which was adopted after the second world war. That plan was administered by the Department of Veterans Affairs and I think it was the best student aid plan we have ever had in Canada. I emphasize the fact that it was a federal plan and that as far as I know there were no objections to it from any part of the country. It provided for the payment both of tuition fees and of a living allowance. As I say, it was a good plan though not an ideal plan. At the time of its introduction, the minister of veterans affairs said there had to be an element of struggle; the student should not be given too much money. And there certainly was an element of struggle. Many of us who received our education under that plan had to do a great deal of outside work in order to make ends meet. I agree with the hon. member for York-Scarborough (Mr. Moreau). I do not think this element of struggle is desirable. I believe students attending universities and other institutions of higher learning should attend classes, read in libraries and take part in discussion groups. I do not think they should spend their time working in service stations, digging ditches, cutting lumber and so on. These activities are supposed to be valuable in character building, but I have my doubts about it.

Mr. Fisher: I bet the Minister of Finance (Mr. Gordon) did that.

Mr. Rapp: Do not disturb him.

Mr. Prittie: It seems to me that it is only in times of emergency that we do things really well. In 1939 we took a sluggish, feeble economy and built it into an efficient economic machine. In the years immediately after the war we introduced a plan for the education of veterans of which thousands of Canadians, some young and some not so young, were able to take advantage. I wonder where we would be today in the staffing of our professions if that plan had not been undertaken. There must be thousands of teachers, doctors, scientists, lawyers and accountants who, but for this scheme, would have been unable to receive an education qualifying them for those positions. Now, only a relatively few years later, the plan has virtually come to an end and we are back to the old way of doing things.

This situation means that students of high ability do not as a rule encounter much difficulty. They are equipped intellectually to benefit from all the best scholarships. Again, students who come from high income homes do not have very much trouble. But the vast majority of Canadian students are in neither of these categories; they are the ordinary people who staff our offices and classrooms, go into general medical practices and fill our professions, and for many of them getting through university represents a difficult struggle.

There are certain things which I think we should do on a national basis. Certain things are already done on a national basis, and they are done quite well. Unemployment insurance is handled on a national basis and I do not think anyone now would want it to be otherwise. Hospital planning is a subject of fairly successful joint federal-provincial arrangements. Family allowances are handled on a national basis and the proposed pension plan will be handled in this way except for some compromise about the allocation of funds which, I think, is unfortunate. We should consider doing other things on a national basis. We always run into a constitutional problem whenever education is discussed in this parliament. I do not know of any country which is so cursed with constitutional problems and arguments as is Canada. I know as well as anyone else that section 93 does give jurisdiction in this field to the provinces and I will express my own personal views at this point because I think

my party, along with others, still believes in the principle of section 93. I am not advocating that all levels of education should be under the jurisdiction of the federal government. But I do think the level of higher or post-secondary education as mentioned in the bill could well be a federal responsibility. I say this because in the first place I believe most Canadians will accept it. Many spokesmen, particularly from Quebec, might tell me differently. They may be right; I am not sure. But I am quite sure of my opinion that in the English speaking provinces the majority would not object and might even favour federal jurisdiction over higher or university education, and perhaps over technical and vocational education as well. In the second place, the provinces do not do a particularly good job in this field. The hon. member for Vancouver Quadra (Mr. Deachman) put it bluntly yesterday. He said it was a big flop as far as the provinces are concerned and he quoted figures to show how poorly they supported university financing. I think the federal authority could do a better job.

Again, students travel widely among the provinces in the course of getting their education. Certain universities specialize in particular fields and I see nothing wrong about the movement which takes place both at graduate and undergraduate level. In addition, the federal government is already involved in the field of education at the present time. In the public accounts committee the other day the staff of treasury board presented us with a list of federal subsidies. It is entitled "Provision in estimates for grants, subsidies and special payments" and I shall refer only to those which deal with education. Under the heading of education and research, for the fiscal year 1964-65 the total amount of money to be expended by the federal government is $156,288,800. This is down, unfortunately, from 1963-64, when the figure was $204,948,290. The federal government now makes available, in direct grants to universities, $27,226,000; and grants to universities for research amount to $25,195,000. For other types of research the amount is $3,038,500; for scholarships, fellowships, etc., the amount is $74,700; and for vocational training and other types of training in that field the figure is $100,754,600. So the government is well into this field.

I realize that this question of federal participation in education is a touchy one and we hear many speeches against it; but I think that during this debate is the time for this view to be expressed, because many Canadians hold this view. Quite frankly, for the benefit of the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and some others, in this field I am a centralizer and I would like to see established a federal office of education.

A number of people have said recently that we should examine the priorities of this country. I believe the suggestion came from the premier of Manitoba—the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) mentioned it the other day, and the Toronto *Globe and Mail* mentioned it this morning in their editorial—that there are many demands at the present time for higher education, pensions, medical care programs resulting from the recent report of the Hall commission, and that we should have a conference to examine which of these subjects should have priority. The suggestion implied there is that we cannot afford all these things. I should like to dispute that particular implication. Canada certainly can afford these things. I was recently checking over the budgets of the past ten years—that is for the years between 1954 and 1963—and I noted that, in round figures, during that period this country spent approximately $15 billion on the Department of National Defence budget. That is $15 billion in a ten year period—and that is a conservative estimate; the actual figures are higher. Of that $15 billion, $470 million were spent for the development of the CF-104 aircraft, and it was scrapped. There was some value out of that program because some people received wages and salaries cheques out of it, but it did not have very much more value. Approximately $40 million was spent on the development of the army vehicle called the Bobcat, and that was scrapped. Again, the only benefit to the country was derived from the wages certain people received. There was no lasting benefit.

I suggest that this country, which can spend $15 billion in a ten year period on defence of very doubtful value, can afford a program of higher education and provide assistance to students in regard to the tuition fees they are paying; we can afford to provide a living allowance; we can afford a medical care program. We in Canada can afford these things if we want to; and if we continue not doing these things, it must be an indication that we do not want to do them.

[*Translation*]

Mr. Jean-Pierre Côté (Longueuil): Mr. Speaker, in considering this bill respecting loans to students, and in listening to some speeches from other Quebec members in the

house, I can only stop and think that the part played here by a member from the province of Quebec is far from being a sinecure, and that it becomes more and more difficult to take a decision in the present context. This is due, partly to the fact—and other members will agree with me—that the text of the constitution has been appreciably influenced by the presence of a concentration of French Canadians in Quebec. As a matter of fact, I doubt very much if the British North America Act would have been written in the same way, had it not been for the existence of the French fact in Quebec.

In the beginning of confederation it did not appear that there was overlapping in jurisdiction, but as Canada's progress developed and as a result of the two world wars, the British North America Act has become for some people a kind of barrier that hindered Canada's progress. That is when we saw, in almost every field, the central government skirt around this barrier in order to solve some problems. However, the provinces did just as much in the field of indirect taxation rights.

It was normal that following this change of attitude, the Quebec members became not only the law makers, but also the watchdogs of the constitution in the house, in the same way that it is normal for the members for Yukon and the Northwest Territories to champion the interests of the population of those areas.

Decentralization is more and more to the fore, and whenever the word "decentralization" is mentioned we obviously come up against certain political and economic theories. But I am sure that if we wish Canada to remain a federation, and if we want all the provinces to remain within such a federation, this is the course we must take. Besides, it has been proven that excessive centralization becomes ineffective.

Does this mean that in order to govern, the provinces must adhere to such a principle of decentralization in their education system? Not at all, Mr. Speaker; on the contrary, in the province of Quebec, for instance, the whole of the educational system is being more and more centralized. Results have shown that centralization to a certain extent may be good, but how hard it can be sometimes to reach a happy medium.

I remember an editorial by André Laurendeau, in *Le Devoir,* which gives us a good idea of the changes going on in the province of Quebec. I quote:

[Mr. Côté (Longueuil).]

Toward the end of the nineteenth century, when the authorities of the province of Quebec decided to vote $100,000 for the teaching of sciences in our universities, McGill took its share and took to sciences; Laval University saw fit to draw up a brief showing the dangers resulting from the intrusion of the state into the educational field and did not take up the teaching of sciences.

Today, in 1964, education in the province of Quebec is controlled by a minister of education. There is no more talk of the danger resulting from the intrusion of the state into the educational field. The importance of the school boards is gradually decreasing. Many of them were merged and must be grouped in regional schools to provide high school teaching. Why should we have this centralization of powers? Because only the government could finance an educational system that would be open to all Quebeckers.

Since the provinces really look after education, there is no doubt that the federal government will be less and less justified in interfering and, as a matter of fact, it will intervene less and less. Some provinces had no student loans plans, others already had such a plan, but there is no doubt that those loans were insufficient, judging from the enthusiasm which this legislation stirred up among the people.

Mr. Speaker, if today the government controls education in Quebec, it is because the government finances it.

If today Quebec fears the presence of the federal government in the field of education, it is for the same reasons. It is because it fears the federal government will succeed in controlling education in the Quebec territory.

Let us be quite frank about it, when you pay for something, you hope in return to control what you pay for.

On the other hand, if this causes no constitutional problems outside Quebec, has the province of Quebec the right to deprive the rest of Canada by sabotaging legislation which could be profitable? I think this would be ridiculous. The provinces which do not want the plan proposed by the central government should not be penalized because they refuse to adhere to it. On the contrary, after the usual consultations, a formula should be devised which would allow a province wishing to look after this herself to receive its share of the fund which the central government puts at the disposal of the country. That is what the present government did as regards municipal loans and that is what we are doing with student loans.

I do not think, constitutionally, Ottawa could be accused of using its credit power to put at the disposal of the provinces the funds they need to fulfil their constitutional obligations.

We have done so in the case of youth allowances by allowing the province of Quebec a further abatement of 3 per cent personal income tax.

In the present case, the Minister of Finance (Mr. Gordon), on behalf of the federal government, agrees to make available to the provinces which will not adhere to the plan, the equivalent of the expenditures involved for the administration of the present act by the provinces.

In other words, the guarantee of the loans and the repayment of interests will be assumed by the federal government, but all decisions as well as control and administration will be left to the provinces.

Mr. Speaker, some members, including myself, would have preferred this legislation to be introduced in the framework of a redistribution of income between the central government and the provinces.

Today some hon. members would prefer that the central government should not interfere in this field already occupied by the provinces or the majority of them; nevertheless, nobody can say that the central government has not given the provinces complete freedom to adhere or not to this system, without, for that matter, being penalized.

By choosing this solution the province of Quebec, far from quitting confederation, as some have alleged, on the contrary, is enabled to remain within confederation and to benefit therefrom, while keeping the special status conferred upon her by the constitution.

This new formula, apparently acceptable to the majority, needs no doubt to be improved to allow the initiative for some future projects to be taken here by the provinces as much as by the federal government; otherwise, this formula will before long become another cause for dissatisfaction.

Mr. Speaker, yesterday when the hon. member for Berthier-Maskinongé-Delanaudière (Mr. Paul) shouted the word "scandal" and I only said "Oh, oh", he remarked before the house that the member for Longueuil should have spent some months at a university. I may reply to the hon. member that being one of ten children, I might perhaps have had an opportunity to attend university if the present legislation concerning students' loans had been in effect when I was of school age. But no, I had to go to work when I was 15 and take evening classes in order to complete my education and so that my brothers could attend university.

Such cases are found every day in our country and that is why I tell those who are against the bill for certain principles, that the human factor must also be kept in mind when we are legislating.

In closing, Mr. Speaker, I say that no one will deny that the people concerned, that is the young ones, who are trying in every possible way and who sometimes have to overcome great difficulties in order to get an education, are grateful for this initiative and I do not think we can oppose it. So long as there is one Canadian who does not have the financial means to complete his education, the governments will fall short of their responsibility.

[*Text*]

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, in his epilogue to a recent book called "Paths of American Thought", Arthur N. Schlesinger, Jr. quotes Professor J. K. Galbraith as having readily observed that a dollar or a rupee invested in the intellectual improvement of human beings will likely bring a greater increase in national income than a dollar or a rupee devoted to railways, dams, machine tools or other tangible capital goods. It seems to me that this statement is a reasonable context in which to discuss this bill for a minute or two. As I have observed from listening to the speeches of other hon. members in the house, it is a bill which will induce support from most. But I want to suggest—and I am sure the Minister of Finance (Mr. Gordon) recognizes this fact —that this bill by no means solves the problems of higher education in Canada, and I am sure the minister or the government do not expect this to be the case.

I agree with the hon. member for Burnaby-Richmond (Mr. Prittie) that I do not think we have any apology to make for the time we take over the bill. It has certainly been refreshing to me to hear that occasionally this house can discuss an issue in which in some cases fairly strong different points of view are expressed, and yet we can keep pretty close to the main philosophy behind the proposed measure. As some of us are interested in the image of parliament, I should like to say I think this improves our image and I should like to congratulate at least those who have participated in the debate up to now.

By coincidence, while we have been here in Ottawa discussing the student loan legislation the Canadian college of teachers has been meeting at Lac Beauport, Quebec—and they have been luckier there than we have been here, perhaps. I think one of the speeches reported in the Montreal *Star* of July 14 is pertinent. The speech was made by Dr. Floyd G. Robinson, director of the Canadian council for research in education. On the 13th of July he called Canada "the intellectual beggar among the educationally advanced countries of the world". In his speech he went on to say:

> —part of the solution to the void in research must come from increased centralization of educational matters. "Educational leadership in Canada will require that we cure our schizophrenic ambivalence on the matter of federal and provincial responsibilities in education...When functions which are properly central are decentralized, the result can only be confusion, inefficiency and a pretence of independence based upon a peculiar assumption that a decision made in ignorance is an independent decision."
>
> But Dr. Robinson hastened to add that he was "not advocating a federal system of education, but only that we do not sacrifice the possibilities of genuine Canadian leadership in education to an outdated theory of educational organization."
>
> He decried the fact that Canada spent less than one tenth of 1 per cent of its total educational budget for research.

I think that is an apt statement and it is interesting to me that it comes during the time we are discussing this bill.

One or two points have been made about the bill itself that I should like to emphasize. I think it was the hon. member for St. Lawrence-St. George (Mr. Turner) who hoped that the minister through the regulations would ensure that the policy of mobility of students is kept intact. "Intact" is a bad word to use when I have just referred to mobility, but in any event the principle of mobility of students should be remembered and encouraged. I underline this point as a member of parliament from the maritime provinces. If we can claim nothing else for the maritimes, I think we can claim to have contributed over the years to the higher education of a good many people in this country holding positions of leadership in many fields.

Mr. Prittie: Most of the judges of British Columbia.

Mr. Fairweather: Somebody says "most of the judges of British Columbia", and there are many other people, including the recently appointed deputy to the Secretary of State for External Affairs. I do not want to catalogue these achievements. My modesty would prevent that. But we in the maritimes have always felt that our educational institutions have been very much enriched because of the number of students from other parts of Canada who have been able to come to the maritimes to get their higher education, and we hope that policy will be continued under this legislation.

The other point made by the hon. member for St. Lawrence-St. George that I thought worthy of note was that some formula must be worked out to take care of part time students, and that on the basis of the experience that will evolve from this legislation we must make provision eventually for night students and so on. Perhaps the minister has that in mind now. I should like to emphasize that point. There are a great many people who are getting their education at night in many of our institutions of higher learning.

Mr. Moreau: Would the hon. member permit a question on this very point? Would he not agree that the object of this legislation would be to get part time students to return to a full time students role?

Mr. Fairweather: I think that is a reasonable suggestion, but there are some who cannot do so because of their family or personal situations. I do not think $1,000 will permit a man with a family to leave his daily vocation and go to university, but I think the point is well worth considering.

I want to emphasize one other point that was made very forcibly by the hon. member for Greenwood (Mr. Brewin). I suspect that by now the justice department or the advisers to the minister have reached some solution, or I assume they have, because in my modest opinion clauses 2 (b) and 2 (k) of the bill are completely ultra vires and their passage would seriously affect the usefulness of the legislation. I know I cannot ask the minister questions at this stage but I hope we will hear soon from the treasury benches of a satisfactory amendment to these now quite inoperative provisions.

As the hon. member for Greenwood has pointed out, section 65 of the British North America Act sets out the responsibilities of the lieutenant governor in council quite clearly and, if I may put it this way, to my knowledge there is really only one person, using the word "person" in a general sense, concerning whom this parliament cannot legislate or delegate legislation to, and that is the lieutenant governor in council. I must say I am surprised that the bill has reached this stage in this form. I hope we can be reassured

on this matter soon. I would hope that nobody would challenge the constitutionality of the legislation because all that would do would be to delay the attainment of a desirable objective; but I cannot understand how the bill reached this stage in the unconstitutional form in which it now appears before us.

Because this is a debating forum and we are expected to learn from those who have intimate knowledge on various matters, I should like some guidance on clause 15 of the bill and why the government feels that clause 15 is constitutional. I presume they are going to rely on the banking provisions in section 91 of the B.N.A. Act, but I should like to be instructed how this jibes with the property and civil rights aspect, which is a provincial responsibility under the act. In any event, I will be glad to hear their views. If clause 15 raises a debatable point, and I concede it is debatable, I do not think for one minute that clauses 2 (b) and 2 (k) are debatable at all. Some work has to be done on them and an amendment proposed, or else the act will be in serious constitutional trouble.

There have been a few radical suggestions made and I suppose a backbench Tory can make a radical suggestion. I think it should be mandatory for the bank to make the loan, once a certificate of eligibility has been granted. I do not think the giving or denying of a loan can be properly left to bank managers, particularly in view of the fact that this statute will apply to people who have been in Canada only a short time as well as people who are citizens. I would hate to think that the fate of the borrower would always be in the hands of the bank manager. As somebody has said, there is no safer or better investment for a bank than a loan guaranteed as to principal and interest by the government of Canada, and which also is insured. Once a certificate of eligibility has been granted the choice of a bank should be left to the student, but after that point the bank should make the loan.

Otherwise there are going to be different classes of students, and the student who comes to this country from another country and stays here for a year, who has not in any way really established his credit under the magic formula that banks use for granting credit, is going to be in a less favourable position than one who has been in the community for generations or whose family has.

I, too, have been intrigued with the arguments concerning the constitutional position vis-à-vis the whole philosophy behind the bill. I am intrigued by this business of having one minute a bogeyman brought out about the constitution and the next minute having, with all respect to the hon. member for Burnaby-Richmond (Mr. Prittie), this false altar of centralization brought out. I like to go between these two, being a reasonably minded Conservative. I cannot understand for one minute how a loan granted by a bank which allows a student to pursue higher education in the university of his choice, in the language of his choice, if you like in the culture of his choice, and the discipline of his choice, can be considered to be an infringement of section 93 of the British North America Act. In my opinion, this bill reinforces the very independence that those who espouse another culture in this country are quite rightly trying to keep inviolate. The government is not telling them what they are going to study, how they are going to study or where they are going to study. All the government is doing is providing the money, by way of these loans, so that this can be done. With the greatest of respect to some of my own colleagues and to others who have pulled out the drums on this issue, I cannot see how it applies.

I believe some day we will have to—

Mr. Paul: A special province.

Mr. Fairweather: I recognize that—well, I am not going to start a debate here with my friend. I should like to remind the minister, if he needs reminding, of the submission made to him by the Canadian universities foundation in December, 1963, which was partly a resubmission of a brief this foundation submitted to the Prime Minister (Mr. Pearson) in May, 1963. I know this point has been made by others, but I think it is worth emphasizing. In the brief to the Prime Minister of Canada in May, 1963, the foundation says:

> —we pointed out that the total requirement of capital for universities and colleges, and for the creation of research facilities in university-affiliated teaching hospitals, for the three years 1963-64 to 1965-66, would be approximately $800 million. Estimates indicate that at the present rate of spending for these purposes, the governments of the provinces might be expected to contribute something less than $300 million towards this total and that $100 million might be expected as gifts and donations from corporations and individuals. If it may be assumed that the additional loan funds needed for university residential accommodation (about $100 million during that period) will be available from the Central Mortgage and Housing Corporation, the remaining need still totals more than $300 million for the three year period.

Loans to Students

The final paragraph of the part I propose quoting that has application to this part of my remarks is as follows:

> In that brief we suggested that the government of Canada establish a fund of $300 million for matching capital grants to universities and colleges. We wish to confirm the need and state that the urgency has now been compounded.

Well, if the need was compounded in December, 1963, by the inexorable laws of compounding it must be even worse today. This was emphasized again in the 1963-64 report of the Canada Council. In their introductory remarks the Canada Council gives a very useful recent history of the crisis conditions through which universities have been passing in the last few years. I quote from page 36:

> Most of the older faculties have expanded at a remarkable rate and new colleges and faculties have sprung up everywhere, filling old gaps in our educational establishment and meeting the demands of the newer disciplines. The rapid growth of our institutions, however, has brought many problems in its train. First, there is the difficulty of recruiting the many teachers so urgently required to meet the increasing demand. And there is, of course, the special problem of finding experts in some of the newer disciplines, who will be able to give form and leadership to departments and institutes that the country has begun to need.

We have the Canadian universities foundation, we have the Canada Council, and if we need any more witnesses we have the Canadian school trustees association. In their brief presented to the royal commission on taxation they have a proposal. I am not going to go through the figures because we have had them, but I think one of the proposals is of interest. They recommended that there be a division of responsibility for financing—I think the word "financing" should be underlined before we run into the constitutional wall—education among the three levels of government. Local governments would be responsible for elementary education; provincial governments for secondary education and the federal government for higher education and vocational education. I believe this suggestion is at least worthy of thought. I think probably in the final analysis it is a little too neat.

However I believe the proposal to have higher education a federal responsibility is one that is compelling to me. This is the last thing I want to say, that in a very interesting speech given on November 28, 1963, Dean J. F. McCreary, dean of the faculty of medicine of the University of British Columbia, spoke of the urgent need from the point of view of graduate schools for capital, particularly in view of the fact this problem is going to be accentuated if the recommendations of the royal commission on health services is implemented.

If I may sum up, I should like to say I will vote for this bill. I will vote for it in the knowledge it really does not meet the Liberal party platform, but that does not disturb me because very little legislation we have had so far does meet it. Second, we must remind ourselves when we boastfully congratulate ourselves about this wonderful legislation that it really does not meet the needs of higher education one bit. I hope that clause 2(b) and (k), which in my opinion are now quite badly drafted and in fact are unconstitutional, will be subject to the proper amendment.

The Acting Speaker (Mr. Batten): Order. It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely private bills, notices of motions (papers), and public bills.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READING

Bill No. S-34, to incorporate Nova Scotia Savings and Loan Company.—Mr. Regan.

THE QUEBEC BOARD OF TRADE

The house in committee on Bill No. S-28, respecting The Quebec Board of Trade—Mr. Cantin—Mr. Batten in the chair.

On clause 1—*Preamble.*

[*Translation*]

Mr. Marcoux: Mr. Chairman, as I had to leave the sitting when this bill was submitted to the committee on banking and commerce, I had delegated the representation I might make to the hon. member for Portneuf (Mr. Frenette).

Later on I was told that it was believed in certain quarters that the members of the Quebec board of trade had succeeded in suppressing my arguments against this organization calling itself the board of trade of metropolitan Quebec.

That is why I feel, more particularly because various chambers of commerce gave me very definite instructions that I should give some explanations and justify my intended opposition to the bill.

We have now before us a bill which was amended by the committee on banking and commerce, so that the arguments which might be made for the term "metropolitan" are perhaps not exactly the same as those

which might be advanced against the Quebec and district of Quebec board of trade using the new term of "district of Quebec".

Though I do not want to read them out, Mr. Chairman, I wish to say that I received letters and telegrams from the chambers of commerce of the Quebec-Montmorency and Quebec-Charlevoix areas, from Antoine Hamel, director of the Charlesbourg chamber of commerce, from Louis Warren, secretary, from Marcel Pageau, president of the chamber of commerce of Loretteville, from Camille Théberge, president of the chamber of commerce of Courville, from the chamber of commerce of Beauport, and from Robert Légaré, president of the chamber of commerce of the county of Portneuf.

Mr. Chairman, before this bill was referred to the committee on banking and commerce, all those chambers of commerce were against the board of trade of the city of Quebec, whose territory, field of activity and headquarters have always been limited to the city of Quebec, using the expression "metropolitan Quebec", which, according to the dictionary, could apply to an extension of jurisdiction on the part of the board of trade of Quebec.

When you consider that metropolitan Quebec extends on the south shore to Lévis, Lauzon, St. Romuald, etc., as well as, on the north shore, to various parishes or to the municipalities of Charlevoix, Quebec, Montmorency and the county of Portneuf, you realize that it amounts to quite a large extension of jurisdiction.

Despite this change in name, the board of trade says it has no intention of extending its jurisdiction over those various localities. It simply wants to enjoy the prestige of an enlarged board, covering a whole metropolitan area.

I feel that the arguments in favour of that change, if they do not hide anything special, are not worth much, because Quebec can be considered as the name of the province of Quebec, of the city of Quebec and also of the Quebec area.

I would like to point out something else, Mr. Chairman, while I think about it. The report and the minutes of proceedings of the committee on banking and commerce, which should contain the evidence given before that committee, have not yet been published. Usually, the English version is distributed immediately and the French version is available six or ten days later, and sometimes still later.

We do not even have the report of this committee available at present, so that it is difficult to refer to it, especially when I did not attend the sittings, so as to know what arguments were put forward in favour of this bill.

On the other hand, I obtained the minutes of the Senate committee on banking and commerce where Mr. Renault St-Laurent, barrister, appearing on behalf of the Quebec board of trade, had put forward several arguments in favour of the change in name. He pointed out, among other things that at least 5,000 persons write every year to the Quebec board of trade, which shows that this organization covers a much greater territory than that of Quebec city.

If the Quebec board of trade is so important and has so much influence, I fail to see why it seeks to have its name changed even if the latter makes no mention of metropolitan Quebec. According to Mr. Renault St-Laurent, barrister, it is merely to give legal recognition to a long standing situation and he gave several examples. He said that it was the Quebec board of trade which brought about the establishment of several companies, not only in the city of Quebec itself, but in the area also. I agree with him on that. He further stated that many of the board's members—in fact, a large number of them—come from outside Quebec city. I have no quarrel with that either, but it proves nothing.

I belong to the Montreal medical association and I am quite willing to pay my membership fee, because I feel it is advantageous for me to belong to that association. However, that does not mean I would be ready to give the Montreal medical association the right to represent the interests of Quebec doctors.

That is why the arguments invoked are very weak in my opinion, the more so since it is claimed:

[*Text*]

They have made several studies of reports on the port of Quebec. They have a jurisdiction over the office of the port warden which they have exercised practically since the port warden was appointed by Ottawa and they are responsible for recommending the person who is to be appointed port warden and any assistants.

[*Translation*]

Then, it seems that the board of trade has great influence in the Quebec harbour.

I should like to take this opportunity to say that the Quebec harbour, which should be a metropolitan harbour including much more than the city of Quebec, denies to every individual who does not live in the city

of Quebec the right to be employed as longshoreman, because of the international longshoremen's association, local 1739. This is a very serious situation. I have pointed out that fact on a few occasions to the Minister of Labour, but he told me that he had no authority over a local union.

As I was saying, Quebec harbour should be considered as part of an area much larger than Quebec city. The minister added that the union was not allowed to accept members not residing in Quebec city. It is a fact that in an answer given by a union official mentioned the "city card". He said that an individual must have his "city card", in other words, be a resident of Quebec city. He also said that, if Montreal did not find it advisable to eliminate this requirement, he did not see why Quebec should.

Therefore, I believe this is a discriminatory requirement which the board of trade should have considered long ago, but which it apparently forgot.

It seems that this board of trade, like most of the others, is more interested in the large companies who are members paying membership fees and that the interests of those companies strangely converge towards the interests of the board of trade.

I heard that, following a meeting which took place when the committee on banking and commerce was sitting, every party was apparently satisfied with the amendment made. Therefore, I shall not be more demanding than the companies themselves. I will not go farther than those company officials agreed to go.

I simply want to protest, and I have supporting evidence, against the fact that the Quebec board of trade is enlarging upon its jurisdiction. Besides, I wonder why they want to have an enlarged jurisdiction, when it is only a question of promoting the interests of the city and district.

They go even further. In clause 3 of the bill, it is said:

—and of the province of Quebec and Canada in general—

Then, obviously, one cannot object to that. If that is the kind of jurisdiction they want, there is no objection. However, they go a little further. In clause 3 (c), the corporation wishes and shall be empowered to:

—to organize, if necessary, a stock exchange and to promote the centralization of the grain, produce, provision and other trades in the city and metropolitan area of Quebec.

[Mr. Marcoux.]

Paragraph (e) also states:

—to adjust, settle and determine disputes, controversies and misunderstandings arising between persons engaged in the same trade or business, or which may be submitted to arbitration as hereinafter provided;

This has already started. The board of trade, at the request or probably with the co-operation of the city of Quebec, decided to study the problem of closing hours for businesses in the Quebec area. One knows that the city of Quebec has very strict and very rigid regulations about closing hours. Many industries which come to the Quebec area or district, or to metropolitan Quebec, decide to open stores in areas where they do not have to abide by closing hours imposed by the city of Quebec.

Under the pretext that these stores are prejudicial to the city of Quebec, the new stores are to be prevented from opening at hours allowed in various municipalities. Of course, it is impossible to obtain unanimous consent.

I know that in my own city, like in many others, the boards of trade as well as the municipalities themselves are against such a move. The board of trade of Quebec district, which was previously the board of trade of metropolitan Quebec, wants to submit a study showing that all municipalities around Quebec including Levis, Lauzon and St. Romuald should be subject to identical closing hours.

You can see, Mr. Chairman, that this could be detrimental to the municipalities adjoining Quebec city. It may be that the city of Quebec was ill-administered for a number of years, but it is not up to the adjoining municipalities to replenish the municipality of Quebec if the latter was unable to attract industries in its area, within its own territory.

If the other municipalities have succeeded in attracting industries in their area—even though it would be on account of the Quebec board of trade—I fail to see why the local boards of trade would be prevented from expressing their opinion, for instance about closing time or about something else.

In my own constituency, there is, for instance, the problem related to sand bars on the Beaupré shore. Many municipalities all along this shore, and their boards of trade, are very much interested in that problem. I feel that the wish expressed by these boards of trade may not be the same as that expressed by the Quebec board of trade.

If these boards of trade ever make any representations to the government for the settlement of this question and in favour of

the municipalities of the Beaupré coast, the city of Quebec, through the Quebec district board of trade, may make representations to the contrary, not only to the government but also to the various local boards of trade to determine the limits of the area.

Moreover, Mr. Chairman, as I was saying a while ago, the boards of trade federation of the counties of Charlevoix, Quebec, Montmorency and Portneuf represent a greater number of people than those served by the Quebec board of trade.

It is said that the Quebec board of trade does not want to encroach upon the powers of the local chambers of commerce and that it will let the latter look after the local problems. This is precisely another point which will make this difficult, for who will decide whether a problem is local, metropolitan, regional or a district problem. That question is hard to settle. It could be settled under the Quebec and Quebec district board of trade charter which perhaps will create some difficulties to local chambers of commerce. I wish to put on record that the president of the Quebec board of trade, Mr. Louis Dusseault, and also, Mr. Talbot, of the same body, assured me that the Quebec board of trade will in no way deal with problems pertaining to local boards and to the district board, such as the board of trades federation of the Quebec area.

In that case, Mr. Chairman, as I said earlier, the suggestions made by the various representatives who appeared before the committee on banking and commerce must be accepted. I should like to put on record, however, that if at any time the Quebec board of trade and the Quebec district board of trade attempt to infringe upon rights not belonging to them, when it is understood, of course, that it is not a matter of jurisdiction, but only a matter of trade and industrial promotion, so that local boards can say: Here, we see in *Hansard* of the House of Commons a promise made by Mr. Louis Dusseault, Mr. Talbot and others that this board of trade will not encroach on the rights of local boards. Then, it may give them a place to meet where they can really prepare an opposition to some possible intrusion by the Quebec board of trade.

Once again, Mr. Chairman, I am going to support the bill any way, on division, but I want to say that personally, I object, and for various reasons, and I could go into every detail of the many reasons which militate against the fact that the house accepted the name "Quebec district board of trade", while it is the Quebec city board of trade. And we specially protest against their method of going ahead which mostly looked like a hiding game when they said they wanted benefits they already had. I always wondered why they wanted benefits they already had, while things could be left as they were.

That explains my stand, but I do not want to delay the business of the house any longer.

Mr. Cantin: Mr. Chairman, to begin with I want to congratulate the hon. member for Quebec-Montmorency for having refrained from submitting amendments to the bill. It is unfortunate that he could not sit on the committee which studied and debated this bill. He had good reasons for being absent because he was on duty somewhere else. Otherwise, he would have realized that the local chambers of commerce and the board of trade of Quebec agreed on a change of name. The main reason for that compromise, is that the name of the Montreal chamber of commerce was la chambre de commerce du district de Montréal and that of Quebec will be called la chambre de commerce du district de Québec.

I do not think the board of trade in Montreal or Quebec city violates any of the rights and powers of the local board of trade in the neighbouring cities.

A board of trade is not so much a territorial entity but an objective everyone must strive to attain. Therefore the question of territory is irrelevant in an act dealing with boards of trade.

I thank the hon. member for his action. I am sure the Quebec board of trade will read his remarks with interest.

[*Text*]

Clause 1 agreed to.

Clauses 2 to 10 inclusive agreed to.

Title agreed to.

Preamble agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time; now?

Mr. Marcoux: On division.

Mr. Cantin moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

Private Bills

THE ROYAL ASSENT

Mr. Deputy Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, July 16, 1964

Sir:

I have the honour to inform you that the Hon. Roland A. Ritchie, Puisne Judge of the Supreme Court of Canada, acting as Deputy to His Excellency the Governor General, will proceed to the Senate chamber today, the 16th July, at 5.45 p.m., for the purpose of giving royal assent to certain bills.

I have the honour to be,
sir,

Your obedient servant,
A. G. Cherrier
Assistant Secretary to the Governor General

PRIVATE BILLS

BELL TELEPHONE COMPANY OF CANADA

The house in committee on Bill No. S-27, respecting the Bell Telephone Company of Canada—Mr. Brown—Mr. Lamoureux in the chair.

On clause 1—*Number of directors.*

The Chairman: Shall clause 1 carry?

Mr. Hahn: Mr. Chairman, this bill gives authority to the Bell Telephone Company to augment its board of directors. Before the bill passes I have a few remarks I should like to make.

A telephone company of necessity operates in certain areas of the country a monopolistic business. This is a necessity with which I think no one would quarrel. It would obviously be completely impracticable to try and run competitive telephone companies over the same area. On the other hand monopolies are not looked on with favour in our form of competitive society.

Under these circumstances, where a company is operating a business which must be run in a monopolistic fashion there are generally three options which are open to deal with such a problem. In the first instance, the service could be provided by a government department. As an example, we have our postal service supplied by a department of the federal government. It could be operated as a crown corporation. Or it can be operated as a closely regulated private company. Personally, in this instance I favour a crown corporation, but I do not intend to argue the merits or demerits of this particular point.

It seems to me that if we are going to have a private company operating in a monopolistic fashion, it must be regulated, and it must

[Mr. Cantin.]

be properly regulated. It must be regulated so that the shareholders, who in this instance are widely scattered and come from all walks of life in the country, have their interests protected. But in addition to the shareholders, the users of the service, the subscribers, the people who pay the telephone bills, must have their interests protected too. To me this is the paramount consideration. There was a statement made in the house when dealing with the administration of justice to the effect that not only must justice be done but it must appear to be done. I think the same principle is applicable in dealing with the problem of a company such as the Bell Telephone Company. When we think of the rates which you, Mr. Chairman, myself and others across the country pay for our telephone service, not only must the rates be fair but they must also appear to be fair.

Evidence was taken in regard to this bill before the standing committe on railways, canals and telegraph lines, and I have before me the minutes of proceedings and evidence, volume 4, of the sitting which was held on July 7, 1964. During the course of those hearings a number of questions and problems were raised which in turn raised doubts in my mind about the fairness of the rate structure and the operations of the company. I am not going to go into all of them, and I should like to make it completely clear that I am not saying or suggesting that there are inequities in the way in which the company is operating. What I am saying however is that doubts are raised in my mind in connection with some aspects of the operation of the company, and I think in view of the nature of their business these doubts should be cleared up.

As we do not have too much time, the doubts I want to deal with fall into only two areas. The first area relates to the question of rates charged by the telephone company. There were several facts brought out in the evidence. At page 427 of the proceedings the hon. member for Three Rivers, the former minister of transport, brought out the fact that those who are serviced by the Bell Telephone Company in the provinces of Quebec and Ontario pay more than those serviced by nationalized companies in western provinces such as Saskatchewan, Manitoba and Alberta.

It was stated by the president of the company that the cost to subscribers in large metropolitan areas was of necessity higher than the cost to those in smaller communities.

The reason was said to be that an individual subscriber in a community where there were more connections, could make more calls on a local basis, and would thus pay more for his calls as costs were higher. This may well be the fact, but as an engineer with a little background in manufacturing it has always been to me a principle that as volume increases cost reduces, and there are some economies of scale. Now, it may be that the argument presented by the president of the company is perfectly valid, I do not know, but it has raised a doubt in my mind.

At page 430 of the evidence, when reference was made to long distance rates, the president of the company stated that long distance charges in Canada were higher than those in the United States. The reason given was that the lines are strung over great areas of less densely populated country, and therefore the cost per subscriber for long distance calls was higher. A little further on, at page 433, the hon. member for Three Rivers, who as former minister of transport I think should be aware of these circumstances, said that long distance charges in the prairie provinces by those companies operated by the provinces are lower than charges in Ontario and Quebec. Now, surely we have fewer people in the prairies than we have in Ontario and Quebec, so this appears to be the exact opposite of the argument advanced by the president of the company in stating the reason for the charges being higher in Canada than in the United States. Again, there may be adequate explanation for this problem, I do not know; but it raises doubts in my mind.

The second area I should like to deal with which also causes doubts in my mind is the situation with respect to Northern Electric, which is a wholly owned subsidiary of the Bell Telephone Company. Northern Electric gained a charter under a section of their act of incorporation which, as reported at page 417 of the committee report, reads as follows:

> The company shall also have power to enter into any arrangement with any person or company possessing, as proprietor, any line of telegraphic or telephonic communication, or any power or right to use communication by means of the telephone upon such terms—

And so on and so forth. In effect then, Bell have been able to acquire Northern Electric under its charter because Northern operated, I gather, approximately four miles of telephone line.

Northern Electric has since that date been expanded to a manufacturing giant, a company which is doing some $300 million worth of business a year. Half of this business is sales of manufactured products to the Bell Telephone Company itself. The other half is outside, what I call commercial sales to the trade generally. I have absolutely no argument against Bell doing as much manufacturing as it wants to. It has its own "make or buy" decisions to reach based on economic considerations, which should properly be the responsibility of the management of that company. It is their job to ensure the lowest cost possible, and this sort of "make or buy" consideration is entirely a managerial responsibility. But it seems to me to be a perversion of the original intention of the legislation for Bell to take a company with four miles of telephone line and use that as the basis for acquiring it, and then to swing that company into a manufacturing enterprise doing $150 million worth of business each year on an open and competitive basis outside the field of telephone communication in this country. I am not questioning the legality of this operation; it is probably perfectly legal, but it does appear to me to be a perversion of the original intent of the legislation.

Apparently in investigating the rate structure of the Bell Telephone Company the board of transport commissioners investigated to some degree the relationship between Bell and Northern. Again, if I may refer to the evidence in the committee, page 426, it is stated by Mr. Scrivener of the company that the Northern Electric Company reports to the board of transport commissioners and he then outlines the basis on which they provide information, in these words:

> It has been based on financial considerations such as an examination of the records, the profits and the non-profits, during these applications. You will see it in the report of the Bell. Bell reports continuously to the board of transport commissioners, but Northern does not.

The question that is raised in my mind is, in what detail does Northern report to the board of transport commissioners? Northern has an annual report and I have a copy of that annual report here. The annual report indicates the profitability of Northern but it does not in any way indicate a breakdown between the business Northern does with Bell Telephone and the business Northern does in the open, competitive, commercial market. Does the board of transport commissioners, when it is examining rate applications by Bell Telephone, examine the relationship of these two parts of the business that Northern is doing? I do not know whether it does, but

I think we should have some satisfaction on this point because to me the danger exists that an unfair situation could be created.

Again I want to emphasize the fact that I am not saying this situation does exist. I think we should be sure it does not, but I have had nothing to indicate that we are sure on that point. The danger lies in the fact that $150 million of the Bell Telephone Company's material supply comes form Northern. On the basis of the cost of this material Bell makes application for the telephone rates that you and I and every telephone subscriber have to pay. I do not say this happens but it is possible that Northern could sell its commercial products on the outside market at low prices to drive out competition, penetrate the market totally and possibly eliminate competition ultimately and could subsidize that operation by charging higher prices to the Bell Telephone Company. These prices would then be paid in effect through the telephone rates set by the board of transport commissioners as the result of Bell's rate applications and would be paid by you and I and every other telephone subscriber. In effect we would then be subsidizing Northern in their attempt to drive out competition in a certain segment of the market.

I do not say this is happening but if it did happen it is something that would be seriously wrong, and I think it is important enough that we should be absolutely sure that this does not and cannot occur. There is no guarantee that it does but again there is no guarantee that it does not.

In the evidence there were indications that there were cross-checks with the prices to outside purchasers on the basis of which Northern sold to Bell. Knowing the nature of the business I would doubt that purchasers other than Bell who buy telephone equipment from Northern would have any other sources to which they could go for their equipment. Therefore I wonder whether this is really an effective cross-check against the prices at which Bell buys its equipment from Northern. Again I do not know.

Mr. Pigeon: I know. I will prove it.

Mr. Hahn: We as members of parliament have allowed a monopoly to exist in this country and it may be that this monopoly in this situation is to the advantage of all concerned. But it is important to me that we make sure it is. The setting of the rates of the company and the rates that we pay must not only be fair, as I said earlier, but they must also appear to be fair. There must be no doubt about that.

I am not satisfied with the regulation of the Bell Telephone Company and particularly that the relationship between Bell and Northern is sufficiently rigid to ensure that this is the case. I do not like the interlock between these two companies. I think that at the least the accounting of Northern should be so segregated that one could see what is being charged on this outside commercial business and what is being charged on the business transacted with Bell. As a further step I should like to see, if possible, the two divisions of Northern completely segregated and divorced.

It seems to me we should do one thing if we are going to allow the present situation to continue. I think that we who have allowed this monopolistic situation to exist have a responsibility to make sure that it exists in the interests of all. I should like to see legislation passed which would cause the Bell Telephone Company to come regularly before a committee of parliament where various questions and doubts such as I have raised could be examined, and could be examined in depth.

We as parliamentarians have allowed this situation, which may be beneficial, to exist. I believe we have a responsibility as members of parliament to make sure that it exists in the best interests of all concerned. I think the company would probably welcome the opportunity to come before such a committee. There may be nothing in the doubts I have expressed. The situation may be in the best interests of all concerned. I think the company would welcome the opportunity to explain the situation and to make it clear so that people like myself would not raise these unanswered questions.

[*Translation*]

Mr. Pigeon: Mr. Chairman, I have strong reservations to make about this bill. In my opinion, it would be important for the government to form a committee of both houses, not only to review the charter of the company, but also to call witnesses: The private telephone companies, including the Bell Telephone Company of Canada.

As I have already said, Mr. Chairman, the Bell Telephone Company of Canada is, among companies of this type, the most powerful in the world. About 65 per cent of the equipment intended for this company is bought from the Northern Electric, which company is itself controlled by the Bell Telephone Company of Canada.

Mr. Chairman, I have here the names of ten directors of Northern Electric Company. I note that the president of Northern Electric is at the same time director of the Bell Telephone Company of Canada.

Mr. Johnson, director of Northern Electric, is at the same time director of the Bell Telephone Company of Canada; Mr. Lank Herbert, who is director of the Northern Electric, is, at the same time, director of the Bell Telephone Company of Canada; Mr. Alex Lester, director of Northern Electric, is, at the same time, vice president of the Bell Telephone Company of Canada.

Mr. Chairman, 65 per cent of all purchases of the Bell Telephone Company of Canada, as far as material is concerned, are made from its own company. It is the largest "family compact" now existing in Canada.

Mr. Chairman, I have the list of directors of the Bell Telephone Company of Canada. I would be very happy to have the unanimous consent of the house to table this list of directors of the Bell Telephone Company of Canada as well as of many other companies that these people control. You will see then, Mr. Chairman, the family compact that exists.

The Chairman: If he so wishes, the hon. member may table the list of names he referred to, so that hon. members may refer to it. But it is not an official paper and unfortunately it cannot be tabled formally.

Mr. Pigeon: Mr. Chairman, this will take some time but I am going to read it:

1. Mr. Eadie, Thomas W., chairman, director of the Bell Telephone Company of Canada, director of the Bank of Montreal, director of the Royal Trust Company, director of Northern Electric Company Limited.

2. Mr. Vincent, Marcel, president and chief executive officer.

3. Mr. Ralph, Edward A., executive vice president, director of Maritime Telegraph and Telephone Co. Ltd.

4. Lt. Col. Amyot, Louis J. A., director of the Bell Telephone Co. of Canada, president of Dominion Corset Co. Ltd., president of the National Battlefields Commission, vice president of the General Trust of Canada, director of Donohue Brothers Ltd., director of la Banque d'économie de Québec, director of Amyot Foundation for the chair in chemistry of Laval University, national director of the St. John Ambulance Association, member advisory council, Canadian Red Cross Society, Quebec division.

5. Mr. Borden, director of the Bell Telephone Co. of Canada, chairman of Brazilian Traction, Light & Power Co. Ltd., chairman of the Canadian Board of Norwich Union Life Insurance Society, chairman of the Norwich Fire Insurance Society, director of Rio Algom Mines Ltd., director of the Canadian Imperial Bank of Commerce, director of the Canadian Fund Inc., director of Canadian Investment Fund Ltd., director of the International Business Machines Co. Ltd., director of Massey-Ferguson Ltd., director of the British Newfoundland Corporation Ltd., member advisory board, Industrial Estates Ltd., vice chairman, board of governors, University of Toronto.

6. Mr. Cockshutt, C. Gordon, director of the Bell Telephone Co. of Canada, president of Cockshutt Securities Ltd., director of Dominion Tar & Chemical Co. Ltd., director of the Canadian Imperial Bank of Commerce, director, Canada Permanent Trust Corp., director, Dominion Life Assurance Co., director of Gore Mutual Insurance Co., director of the Guarantee Co. of North America, director of Harding Carpets Ltd., director of Minnesota & Ontario Paper Co., director of Newlands & Co. Ltd., director of Newlands-Harding Yarns Ltd., director of Stauffer-Dobbie Ltd., director of York Mending Wool Co. Ltd., director of Dobbie Industries Ltd., director of Hardee Farms International Ltd.

7. Mr. Marcel Faribault, director of the Bell Telephone Co. of Canada, is the president and general manager of the General Trust of Canada.

This is to show you, Mr. Chairman, that I am objective in my remarks.

[*Text*]

The Chairman: Order; since the house may have only a few minutes more to sit, shall I rise and report progress?

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED UNDER ADJOURNMENT MOTION

Mr. Speaker: Pursuant to the provisions of standing order 39A, it is my duty to inform the house that the questions to be raised at 10.30 are as follows:

The hon. member for Cape Breton North and Victoria (Mr. Muir), defence production, contract to Quebec firm for destroyer conversion; the hon. member for Yukon (Mr. Nielsen), national defence, requirements respecting bilingualism in considering promotions.

Loans to Students

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting the territorial sea and fishing zones of Canada.

An act to amend the National Defence Act.

An act to provide for the payment of youth allowances.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1965.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

EDUCATION

MEASURE TO FACILITATE MAKING LOANS TO STUDENTS

The house resumed consideration of the motion of Mr. Gordon for the second reading of Bill No. C-110, to facilitate the making of loans to students, and the amendment thereto of Mr. Gauthier.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, the house has been studying in the last few days Bill No. C-110 dealing with loans to students.

This afternoon the hon. member for Roberval (Mr. Gauthier) moved an amendment.

When introducing that bill, the government undoubtedly had good intentions because for us and all the people of Canada, education is a very important matter since it concerns primarily a very high percentage of our young people, the future leaders of Canada. That is why the government is introducing that bill dealing with education, to enable students to continue their studies, in short to be better prepared to face life and its needs.

[Mr. Speaker.]

On the other hand, what strikes me most, a matter to which several members have drawn my attention, is that the government is intruding in a field which has nothing to do with the federal government.

It is not the first time that we in Quebec have heard about education. A few years ago the Quebec Liberals told us that our educational system was not perfect under the previous administration and that they wanted to amend it; they then promised free education.

A few years ago we were promised free education in the province of Quebec and now the federal government is discussing student loans.

On the one hand, the Liberals promise free schooling and here in Ottawa, future students, the future elite of the province of Quebec or Canada, are allowed to go into debt.

Free schooling was said to be a sheet anchor for our young people. It is realized today that it was a real deception and a measure is now being introduced in order to grant loans to Canadian students, including those of the province of Quebec, as a solution to their problems.

But if we look at what happened in other fields, for instance, when the federal government and the provincial governments have in the past made different types of loans available to the various social classes, one finds that those loans did not produce the expected results or achieve their purpose.

For instance, we remember quite well what happened as a result of the passing of measures on agricultural loans, industrial loans, loans to small industrial enterprises; today, we find that those measures have not solved the problems faced by the farmers or the manufacturers.

As far as free education is concerned, we were told that we would have nothing to pay. Today we realize that text books are more expensive than before, that the construction of our schools costs more than ever and that our school taxes are higher than ever, that the provincial sales taxes—which are mentioned in this bill have increased as well as school deficits.

What do we see in the meantime? The parents' autonomy does not exist any more, it disappeared a long time ago. We also see that the autonomy of the school boards does not exist any more; they are almost completely under the control of the provincial government.

What do we see now? The autonomy of the province of Quebec is threatened in a field

which comes under its own and exclusive jurisdiction.

Some hon. members in this house went so far as to advocate a federal department of education. Well, if that principle of centralization is so good, why not advocate also an international department of education under the United Nations? If we want to be ridiculous, we might as well go the whole way.

Would it be possible for Canada to have the same system of education as certain member countries of the United Nations? Absolutely not, and I think all hon. members will agree with me on that point.

We do not deny the other provinces the right to have their own system of education, their own culture and their own language. In return, we want our rights to be respected in the province of Quebec. The British North America Act—forgive me, Mr. Speaker, but we are still British—respects provincial rights and that is why we, in Quebec, are against not the principle of this bill but against this intrusion of the federal government in a field which does not come under its jurisdiction but under that of the provinces.

A measure for free schooling in our province was submitted to us as a last hope, as regards the education problem. It has proven a failure. We have before us today, in Ottawa, legislation on loans to students; a few years hence, we will realize that it has not given the anticipated results.

In favour of whom do we want to get our students into debt? In favour of the banks, which are the sole and actual beneficiaries under this bill—get our students into debt in favour of the banks.

Up to now we have got everybody into debt. Where are the social classes that are not in debt?

The farmers are in debt, the workers are in debt, our industries are in debt and so are our school boards. We find that our provincial governments are in debt; we also see that our federal government is in the same situation and is getting deeper into debt to put others into debt. Everyone is in debt, and now we want our students to go into debt.

With regard to this bill, a member pointed out this afternoon, that only banks can loan money to students; no other serious and responsible organization in Canada can lend money to our students.

We had our industries incur debts in favour of the banks, we had our industrial resources encumbered in favour of our banks, and today, the intention is to involve in debt our future natural resources for the benefit of the banks, and no other solution is being found to the present system.

The present bill is greeted with enthusiasm. How ridiculous.

As for us, we do not want debts. Students have already too many debts, their parents have already too many debts; what the Canadian people need is an income system. Instead of making loans available to students, as is being done at the present time, why not make available to the students, during the holiday period, jobs which would make it possible for them to earn some money during the ten or 12 weeks of the summer holidays, or at least for eight or nine weeks of work?

Why should not the federal government organize some system to make employment available to the students, making it possible for them to earn $100 a week? Then they would earn during the holiday period the equivalent of the amount of $1,000 involved in the debt we want them to get into. They could this way earn money while acquiring an education, and they could then pay for their studies. But no, today, instead of offering employment to students in order that they may pay for their studies, they are allowed to study and to run into debt and, in the meantime, we also get the country into debt.

During their schooling they could work and contribute to the wealth of Canada. During their holidays they could produce something instead of doing nothing. They could also work their way through school.

We have no other system than to push them into debt. Get into debt students, farmers, industrialists, municipalities, school boards. It sounds like the system advocated by finance companies. "Travel now, pay later"; buy today, pay later; buy your house today; pay later; buy your farm today, pay later; buy your furniture today, pay later. "Consolidate your debts, re-finance them and pay later". In Bill No. C-110, our young people are being told: "study now and pay later."

Students are not begging for charity or privileges. Why not offer them jobs, giving them an opportunity to work during their holidays, instead of offering them as the only solution, debts and a mortgaged future.

Mr. Speaker, what amazes me most, is that when the problem is to develop Canada or give Canadians or our students a few amenities in peacetime, there is no money; we

get debts and obligations; we have unemployment and insecurity. But come war or war preparation, everything becomes available. Why not make the same benefits available to our students.

I have here a pamphlet dealing with Canadian military colleges. Here is what it says concerning the military training of our youth. It is a lot more interesting than Bill No. C-110. I would even suggest to the Minister of Finance (Mr. Gordon) to get acquainted with that pamphlet designed for the army, air force and navy trainees, and to redraft his bill accordingly. First, the large headline:

Enthralling life for young Canadians.

It is a lot more enthralling than what is offered our youth. It is so enthralling to enroll in the air force. Here is what is says:

1. First class aeronautical training.
2. Very good pay.

Not a word about debts. They are paid; there is no signing of promissory notes.

3. Opportunity to increase your knowledge through numerous courses offered by the air force.

It is all about air force; there is no mention of interest.

4. Opportunity to travel in Canada and abroad.
5. Thirty days annual leave with pay.
6. Free medical and dental care.

It is free, Mr. Minister.

7. Work with a team sharing the same ideal.

This is interesting.

8. Security ensured by generous retirement plans.

There is no mention of debts. Nothing is said of a debt plan. And that is not all.

9. Attractive and comfortable rooms for single people.

Nothing is said of married people.

10. Organized recreation for everyone.
11. Agreeable working conditions.
12. Training for administrative and executive duties.

And that is not all they offer our youth headed for the air force, the army or the navy. But it is much better than what is offered by Bill No. C-110. Further, it says:

General courses leading to a diploma in arts, science and engineering are supplemented by military instruction and studies, including summer training in Canada or abroad. Tuition fees are paid by the government and cadet officers are also supplied with the required uniforms and receive pay and allowances, besides being entitled to annual leave and other privileges.

Here, one finds the amount of pay given to young students of the air force, army and navy, not for peace but for war:

Pay (all cadet officers), $63 a month.
Living allowance, $65 a month.

And if the student does flying time:

$75 a month.

The above figures do not comprise medical and dental care, which are free, nor clothing or other benefits. The cadet officers have 30 days of annual leave with pay (to which travelling time is added), which is generally awarded after the summer training period. Christmas leave is also provided.

I wanted to point out the merits of a military educational system with regard to the air force, the army and the navy.

What a difference from the terms of Bill No. C-110, which is offered to all our young people in Canada. All we have to offer are debts and loans.

When shall we rid ourselves of that system?

I listened to hon. members, whether Conservative or Liberal, and I found that whenever there was a question of taxes or loans, they were all in agreement.

Mr. Speaker, the weather is upon us; each summer, the flies appear with the heat. What do the farmers do? They get an insect killer, which is called d.d.t., to kill those flies.

As far as I am concerned, I say that the two old line parties represented in this chamber, the Liberals and the Conservatives, use exactly the same remedies, the same pattern to destroy our social classes: the d.d.t. system. In fact, since confederation, Canada never has had anything else than debts, deficits and taxes. That is, sirs, your d.d.t. financial system. Today, there is nothing else to offer our various social classes.

This afternoon the hon. member for Roberval proposed an amendment to the bill under consideration. Why? To allow students to achieve the same results, without incurring debts and mortgaging their future as their parents are presently doing.

We want the federal government to respect the British North America Act. The separatist movement in the province of Quebec is criticized, the French Canadians who want to safeguard the province's autonomy are blamed. But the federal ministers should start by respecting the British North America Act, which gave the provinces jurisdiction over education, instead of interfering in a field which comes under the exclusive jurisdiction of the provinces.

The amendment moved by the hon. member for Roberval would enable the Bank of Canada to loan the provinces, without interest,

the money they need to do what they want in the field of education.

The British North America Act gave the provinces jurisdiction in the field of education but, on the other hand, jurisdiction in the field of finance was given to the federal government. The provinces were entrusted with responsibility in the field of education, but the means to carry out that responsibility were given to the central government.

Now, since finance and money come under the federal government and since education is a provincial responsibility, Ottawa should, through the Bank of Canada, put the required funds at the disposal of the provinces, so that the latter may look after educational needs as they see fit. If that were the case, we would hear less about separatism because provincial and minority rights would be respected. It is only on that condition that the Canadian confederation will be strong; otherwise, we will inevitably end up on the road on which Bill No. C-110 is but a milestone.

This separatism wave will unfortunately get worse in Quebec, not because of the separatists themselves, but because of those who are sitting on the government benches.

[*Text*]

Mr. L. T. Pennell (Parliamentary Secretary to Minister of Finance): Mr. Speaker, my intervention will unfortunately be technical in nature but, fortunately, brief in character. The time has come when I feel that some observations ought to be made on the very difficult constitutional and legal aspects of the debate before the house. But before I do so may I be allowed to interpose a welcome to the principles of the bill. There is a rule that says that something is always lost in translation, but it seems to me that the very instructive and illuminating introductory explanation by the Minister of Finance (Mr. Gordon) proved to be the exception to the rule.

I confidently believe that any measure which has as its fundamental purpose to widen the opportunities for education will receive a sympathetic treatment at the hands of this house. Its aim is to wipe out the inequalities imposed by economic handicaps.

It may interest the house to know that in the recent report of the Robbins commission in Great Britain they found that they had to change their views regarding the relationship between heredity and intelligence. They found that the children of the lower class people did just as well as children of upper and middle class groups. May I suggest that a great resource of untapped ability in this nation will be found in the working class and lower income groups. I speak with some experience, Mr. Speaker, and, with deep feeling on this matter when I say that no young persons should have to be deprived of, or delayed the opportunity for, education at a university, and it is bitter tea to swallow when you have to undergo that experience. It is a trite observation to say that this nation must make the fullest possible use of its capital resources and in intelligence.

I now pass by natural transition to the very difficult constitutional points that probe deeply into the fabric of this bill. I know that a large number of the members of this house are not lawyers, and I suppose they will thank me for that testimonial. But none the less I believe there is a legitimate curiosity about these very fundamental legal problems.

I turn at once to deal in particular with the criticism contained in the speech of the hon. and learned member for Greenwood (Mr. Brewin), to which the house listened with unbroken attention. If I understood him correctly, and I think I did, his argument was put in this way. He stated that the purport of this bill was to delegate the power of the parliament of Canada, a sovereign authority, to the lieutenant governor in council, who in turn would make a very important decision by designating persons or agencies who would select the student as qualifying and the institutions designated under the act.

The hon. and learned member went on to draw our attention to the case of the attorney general of Nova Scotia *v.* attorney general of Canada, which is reported in Supreme Court Reports, 1951. That case held that it was unconstitutional for the parliament of Canada to delegate its power to a provincial legislature.

It should be noted Mr. Speaker, that the hon. member then made a distinction and pointed out that the Nova Scotia case was different from the case now engaging the attention of the house because in the Nova Scotia case the delegation of power was from the parliament of Canada to the provincial legislature, while the purport of this bill delegates power from parliament to the lieutenant governor in council.

I do not think I do an injustice to the very forceful argument of the hon. member for Greenwood when I say that he did not cite any case that turned directly on the point, so far as the lieutenant governor in council

is concerned. He bridged that difference, may I say, by stating that in his opinion the principle was applicable in both cases. It is at this point that I must part company, with great reluctance, from the hon. member. I might say that the answer to his argument is found in his own distinction. The bill now before the house is a delegation not from the parliament of Canada to the provincial legislature, but a delegation from parliament to the lieutenant governor in council. In any event—and this is a fundamental point—the bill does not purport to delegate any legislative authority but only delegate administrative authority, which the lieutenant governor in council can carry out without the consent of the provincial legislature.

May I put it another way, Mr. Speaker. The bill is not purporting to take any law-making powers away from the parliament of Canada to give to the lieutenant governor in council, because the parliament of Canada has already exercised its law-making powers which are contained in the bill itself. All we are doing is permitting the lieutenant governor in council to make an administrative act which, as I say, in no way affects the law-making power which remains with parliament.

Perhaps I may be allowed to cite an illustration in support of the contention I now put forward. If the house would bear with me I should like to invite its attention to the Canadian World Exhibition Corporation Act, section 10, which act is to be found in Statutes of Canada, 1962-63, chapter 12. Section 10 says, quoting the material words:

> The corporation shall...submit for the approval of the governor in council and the lieutenant governor in council its over-all plan—

This is an illustration of the parliament of Canada delegating authority to the lieutenant governor in council to approve a certain plan. May I say—I do not say this in any arrogant or offensive manner—that in this case the lieutenant governor in council was that of the province of Quebec. Without trying to make a political point, Mr. Speaker, being secure in the knowledge that a large number of members across the floor of the house will support the bill, may I say that perhaps they will secure further comfort from the knowledge that the legislation to which I have just referred was introduced, and properly introduced, by the previous administration.

But my illustrations do not stop there. I would ask the house to apply its mind to the Criminal Code, sections 523, 524, 526 and 527, in all of which sections, power of the parliament was delegated to the lieutenant governor in council to carry out administrative acts regarding people declared insane and held in detention.

I could, Mr. Speaker, refer to section 13 of the Prisons and Reformatories Act, which deals with powers conferred by parliament on the lieutenant governor to make regulations to prevent escape from jail. Section 20 of the Juvenile Delinquents Act deals with powers conferred by parliament on the lieutenant governor in council to approve an industrial school to which children who are judged to be juvenile delinquents may be committed.

I do not wish to pretend by the fact that I have cited a number of similar illustrations that I have entirely removed the arguments of my hon. friend from Greenwood. I have a profound respect for him. I knew him at the bar and his reputation preceded him into this house. Whenever he makes an assertion on constitutional law it ought to be listened to with attention. But may I also say that those of us who are concerned with the bill have made an honest and sincere effort to see that it stays within proper limits. We have given sustained consideration to the matter and I would ask the house, particularly the hon. member for Greenwood, to whom I make a personal appeal although he is not present, to accept the opinion that the bill does not contravene and is within the rule of constitutional purity and substance.

I should not ignore the fact that the learned member proposed an alternative method and in my very humble opinion that alternative was valid and did not affect the fabric of the bill. But I am sure he will understand our position. We have given this matter a great deal of attention, have turned it over in our minds a great number of times, and we have reached the conscientious and honest opinion that the bill does not in any way infringe on the rights of the provinces, or is unconstitutional.

Mr. Knowles: Mr. Speaker, before the hon. member leaves this subject, which he has discussed in a manner which is very interesting to all of us, will he permit a question? Does he recall that in another debate this session—it happened to be the debate on the electoral boundaries bill—the Minister of Transport (Mr. Pickersgill) said that the members of the government had racked their brains to try to find some way in which to appoint provincial people to do a certain job?

I do not want to get into the redistribution argument, but I am sure the hon. member will recall that in that situation the government apparently felt that the federal government could not delegate a function to provincial persons, that it had to remain with persons who were responsible to the federal government. How does the hon. member get around that argument which was used in this very session by a member of the cabinet?

Mr. Pennell: May I say to the hon. member that every case must turn on its own facts and must be dealt with accordingly. We move from field to field. I cannot make a definite general statement that will cover all powers of the federal government as related to those of the provincial governments. I am dealing here with one specific bill and I can only assume, knowing the usual searching examination that the Minister of Transport makes of all matters delegated to him, that he must have given the correct answer.

Mr. Winkler: Give us an instance.

Mr. Pigeon: May I address just one question to the hon. member. Can he quote a word or phrase from the B.N.A. Act which permits the federal government to interfere in education?

Mr. Pennell: May I say, and I say this with great respect to the hon. member, that he misapprehends the whole purpose of the bill, because we are not dealing with education, as I trust I will demonstrate to the satisfaction of the house in a few moments. I am now going to deal with that body of opinion expressed by some hon. members who took exception to the bill, but who I believe labour under a misapprehension. I do not say this in any arrogant manner. With great respect, in my view they are labouring under the misapprehension that this is a matter of education. It is my respectful submission that we are now dealing with a matter that comes properly under section 91(1) and section 91(15) of the British North America Act.

Mr. Pigeon: Section 93?

Mr. Pennell: I can see that a very precipitate and inadequate examination of the bill may tend to lead to the conclusion that we are dealing with the matter of education and property and civil rights. Let me say that there is nothing manifest in the bill that shows any intent to truncate or deprive the provinces of their real and special responsibilities in the field of education.

Mr. Pigeon: On division.

Mr. Pennell: May I say I know that the minds of a number of members are exercised about clause 15 of the bill, but in my respectful submission this comes under section 91 (15) of the British North America Act. I do not undermine my own position when I say that if you view this bill from different angles it takes on different forms, but if you hold it up to the light of examination and intensive study it will become clear and ought to lead inevitably and conclusively to the finding that this is a matter within section 91(15) of the B.N.A. Act.

Let me say to my hon. friend across the floor that those who have contended otherwise have not brought any cases forward to support their position. I now invite the attention of hon. members first of all to the definition of banking. I am now dealing with the question of loans to infants under clause 15.

Mr. Grégoire: May I ask a question?

Mr. Pennell: Later.

Mr. Deputy Speaker: Order.

Mr. Pennell: I will be pleased to answer questions subsequently.

Mr. Grégoire: May I ask a question before you finish the subject?

Mr. Pigeon: Don't embarrass the hon. member.

Mr. Pennell: Under the leading case of Tenant *v.* Union Bank of Canada, 1894 Appeal Cases, 31, a privy council decision, it was laid down that "banking is an expression wide enough to embrace every transaction coming within the legitimate business of a banker". I say it is within the concept of banking to make loans, and if the bank makes loans surely it should have the right to recover the money due to it. Forgetting the question of law altogether, in my respectful submission it would be contrary to common sense to call something a loan if the man who paid out the money did not have the right to attempt to recover.

Therefore I submit that this question of loans properly comes under the category of banking as defined in section 91 (15) of the B.N.A. Act. I would also direct the attention of the house to the leading case of attorney general of Canada *v.* attorney general of Quebec, a 1947 judgment, also by the privy council, in which it was held that a depositor had a right to recover his deposit from the bank and that this was a matter of

banking and not a contractual matter relating to property and civil rights. I notice that the hon. member for Lapointe (Mr. Grégoire) shakes his head, but all I can do is give the authority. The privy council decision in the case of attorney general of Canada and attorney general of Quebec.

Mr. Grégoire: May I ask a question?

Mr. Pennell: I should like to move on now to look at section 95 of the Bank Act, and I might say that this section has never been challenged to my knowledge. Section 95 (1) reads as follows:

> The bank may...without the authority, aid, assistance or intervention of any other person or official being required,
>
> (a) receive deposits from any person whomsoever, whatever his age, status or condition in life, and whether such person is qualified by law to enter into ordinary contracts or not.

This section implies a right in the depositor to claim payment from the bank and it sets up a bank-customer relationship in which each party has equal rights. Therefore I submit that clause 15 is properly included as a part of banking.

Mr. Grégoire: You are far away from the question.

Mr. Pennell: My hon. friend says I am far away from the question, but I would point out that there is nothing novel in this question of dealing with infants, which seems to exercise the minds of those who are opposing the bill. I would ask them now to look at the Financial Administration Act passed in 1953. I am now referring to chapter 116 of the Revised Statutes of Canada, section 56. Perhaps the hon. member would care to listen. It reads as follows:

> The governor in council may make such regulations...
>
> (b) (ii) prescribing the conditions upon which the transfer, transmission, exchange and redemption of securities registered in the names of infants, minors or other persons not of full capacity to enter into ordinary contracts, may be made.

So, I would say, Mr. Speaker, that we are not embarking into a novel field. We are properly exercising the rights given to this parliament under the British North America Act.

Before I conclude, Mr. Speaker, I ought to make a reference to the point raised by the hon. member for Yukon (Mr. Nielsen). While within our own minds we are satisfied that the bill as it stands would cover the Northwest Territories and the Yukon, none the less if it is not grossly impertinent on my part, I am prepared to recommend to my minister when we get into the committee that he give the consideration and study to the amendment that I respectfully think it deserves. I trust that my remarks have not been too tedious to those who do not have a professional interest in the law. I am unwilling to inflict my opinions on the house any further. May I say in conclusion that whatever may be the imperfections of this bill, and I make no admissions on that score, in my humble opinion it has the makings of a valuable and useful act of parliament.

Mr. Pigeon: May I address a question to the hon. member? Is the hon. member ready to support the idea of having a federal minister of education?

Mr. Pennell: I am not ready for that. No one will find a stronger defender of the rights of the provinces in the field of education than I am.

Mr. Pigeon: What does the hon. member think of the ideas of the hon. member for York East (Mr. Otto)? You have a split in your party.

Mr. Grégoire: May I ask a question of the hon. member in French?

[*Translation*]

The hon. member mentioned the case of those who are under age and who deposit money in the bank. Is the member aware of a section of the Quebec civil code which states that when a person under age, without the consent of his father, tutor or mother, as the case may be, enters into a contract, the person under age cannot be forced, under the law, to make restitution, in a case like this, should the contract mean a loss to him; in other words, if a person under age borrows $1,000, the terms of the contract will not be against him but rather in his favour, and he will not have to reimburse his creditor.

[*Text*]

Mr. Pennell: May I say that not only do I understand there is such a regulation in the civil code of Quebec, but I understand also that the same broad principle applies in Ontario. I made my submission to the house partially aware of this regulation. It is my honest, sincere belief that we are not truncating or depriving the province of its powers in the field of education or civil and property rights.

Mr. Eric A. Winkler (Grey-Bruce): I am very pleased, Mr. Speaker, to follow the hon. member who has just resumed his seat. He knows that I have a very high regard for his

opinions on this matter, which we have discussed intimately in different quarters. In the final portion of his remarks he referred to this bill as a valuable and useful one for parliament to pass. I readily agree with this statement. I am one of those who believe that this legislation, in consideration of all the problems that will develop, will be a very useful piece of legislation.

I am also one of those who believe that this legislation has been brought forward much too late. I regret that some of the statements made during the course of this debate have been somewhat contrary to what has actually happened during the course of this parliament. I should like to say initially, Mr. Speaker, that the point that aroused my interest in the bill was the intervention on July 14 of the hon. member for Hamilton West (Mr. Macaluso). I asked the hon. member a question at the conclusion of his remarks, and I should like to repeat a portion of that question in order to clarify my position this evening. I quote from page 5477 of *Hansard*:

> Will the hon. member permit a question? Does he not agree that had it not been for the efforts of the Canadian students union itself, goodness knows when we would have had this legislation?

I shall not quote the other portion of the question because that is the important part. The hon. member for Hamilton West said he was happy I had asked him the question. Then, he said:

> He should look at the position of his own side. He says, now: We are willing to co-operate; put the legislation before us. But it is interesting to note that the opposition has only adopted this attitude after pressure by the students, by he universities and in the press.

In my opinion, this is an extremely important inference. My predecessor on the floor this evening said he was making his contribution on a non-political basis, and I made it very clear at that time my presentation to the government, in order to impress them with the importance of this legislation, had been on a non-political basis as well. I assure you this evening that was the case, and it remains so this evening.

I should like to refer to some of the remarks made earlier in the debate by the same hon. member for Hamilton West. At page 5474 of *Hansard* he refers to the words of Mr. James G. Mitchell, president of the students council of the University of Waterloo and James D. Kraemer, chairman of the board of external relations of that university. This is what those men said in a letter to the hon. member:

> The Ontario legislature did not adequately meet the needs of her expanding universities and as a result there has been a widespread increase in tuition fees (a situation common throughout Canada). The increase in fees (which in our case amounts to more than $75) coupled with the growing scarcity of summer employment once again threatened to make "university" a "privilege of the wealthy".

Earlier in their letter they say:

> Our earnest hope is that the members of parliament will effectively expedite this priority legislation—

Then there is an interruption, and I continue to quote from the letter:

> —which awaits the house, in order that a system of federal loans for students will be in effect for September, 1964.

How ridiculous can a person be? I watched the activities of the hon. member for Hamilton West very carefully. I regret very much that he is not in the house this evening, nor has he been in the house all day today, nor was he at the meeting of university students held in room 112 north in this building when they made their presentation, nor do I find one instance of the hon. member putting that presentation before the government or requesting that this legislation be brought forward. This angers me more than a little, because he accused the opposition of not intervening until the Canadian students union made a presentation to the government.

Let me illustrate how untrue that statement is. I go back to *Hansard*, page 2599, April 27, 1964, to a contribution in which a request was made of the government by the hon. member for York-Sunbury (Mr. MacRae) that this legislation be brought forward. Goodness knows, I do not have all these references. Then, at page 3166 of *Hansard* for May 12, 1964, the hon. member for Burnaby-Coquitlam (Mr. Douglas) made a similar request. Then on the same day a further request from the hon. member for Digby-Annapolis-Kings (Mr. Nowlan); again on page 3398, May 20, by the hon. member for Burnaby-Coquitlam (Mr. Douglas), and a similar request on page 3399 by the hon. member for Lapointe (Mr. Grégoire). Then in volume 4, at page 4093, June 9, there is the hon. member for Victoria, Ont. (Mr. Lamb); page 4094, June 9, the hon. member for Burnaby-Coquitlam; page 4150, June 10, the hon. member for Burnaby-Coquitlam, and page 4223, June 17 by a supporter of the government party, one of the Hamilton members. I do not have his constituency but I would ask you to make note

of that. Then at page 4442, June 18, there is the hon. member for Ontario (Mr. Starr); page 4496, June 19, the hon. member for Lisgar (Mr. Muir); page 4547, June 22, the hon. member for Hamilton South (Mr. Howe); page 4698, June 25, the hon. member for Winnipeg North Centre (Mr. Knowles). I think it is valuable that we have them all, certainly all I have found.

Mr. Knowles: Put all on the record.

Mr. Winkler: That is right, Stanley. Then on page 5139, July 7, the hon. member for Winnipeg North Centre again, and on page 5150, July 7, which happens to be myself, Mr. Speaker, and I will stop there; but there were other requests.

Let it not be said by the hon. member for Hamilton West (Mr. Macaluso) that we boarded the gravy train when the Canadian students union arrived. I am afraid the government did not become alive to the situation until that date.

Again my predecessor in speaking, the hon. member for Brant-Haldimand (Mr. Pennell), said that he was a learned member of the law profession and might be in a minority in this house. Sometimes I think there are too many of them here, Mr. Speaker, but I still tell you I have a very high regard for that member, and regardless of the constitutional arguments or involvements I am prepared to support every inch of this legislation, including the resultant problems that will be created.

When I say the resultant problems I refer to some of the references that have been made. I think of facility; I think of faculty as well as of the student. It does not matter too much to me in which order we take them. If this legislation creates the next problem, then I say well and good, because if there is one thing we need in this country right now it is a look at the educational system to improve it and to create greater opportunity.

It is a peculiar thing, when we look at the expenditures of the government and the manner in which they are made, the first thing supporters of the government say is, what did you do when your government was in office? That kind of thinking in this particular case, as in others, must be forgotten and I say to you, Mr. Speaker, if we look into the future we have to think of the tax dollars we are going to spend.

In this connection I am thinking of the unemployment insurance fund and am suggesting that we take a look at the drop-outs in secondary school and high school. Maybe we can do something in this area because to my way of thinking there is no sense in educating students through grades 11 and 12, particularly in the province of Ontario, and have them drop out only to see a diminishing supply of money in the unemployment insurance fund. That is poor business. We should think far enough on into the future about the way we are going to spend our tax dollars, and maybe we shall have to revise our entire thinking.

I think of the whiz kids the Minister of Finance brought in to assist him with his first budget. Maybe three or four of those unemployed people could have spent that money much more realistically than the whiz kids spent it. When you draw the common denominator of people who apply for unemployment insurance, as the hon. member for Brant-Haldimand has said, if we use the thinking power of these people we will be able to understand better their problems. All the brains of the country are not in parliament. As a matter of fact, it was not too long ago I thought most of the brains were outside parliament; but when we consider where the money is going to be best spent we should have a look at the whole picture.

Maybe we should bring in some of the presidents of our universities so that we can more readily understand exactly what the requirements are. Even though we have very valuable and high minded contributions during the course of this debate we will not find the solution to all the problems that exist. One criticism of this legislation which I heard was that put forward by the hon. member for Burnaby-Coquitlam in regard to the bank loan situation that has existed thus far concerning students.

It just so happens that this afternoon I had the president of the Waterloo Lutheran University in my office and he discussed this with me. He assured me that never once did they have a problem with a student who had a reasonable standing, in securing a loan. I asked him, "Will this legislation serve a very useful purpose in your institution?" and his reply was, "Yes, to a degree it will assist us in that our own bursary program will not have to be so great."

Without offering it as a vital criticism of this legislation, the question is, why was it not brought forward as it was promised? I do not ask this to indicate that I am opposed to it. I am not, as I have said; but when the Liberal party promises scholarships in an election campaign and turns around and converts them into a loan program, surely to

goodness the people of Canada will wake up and have a look at what they are doing with the country and how they are putting their program forward. Is it truthful? I am not saying it is untruthful, but I ask you, Mr. Speaker, and members of the house, is it truthful if you are going to give scholarships and you turn around and make them loans?

The president of this university said to me this afternoon the one thing they were always careful of was the debt position into which a student placed himself. I replied, "Surely, when a student is going on for a professional career a debt of $3,000 or $4,000 is not too much to him". He replied that there are so many complications for a student going through university today. Some come in as married people; some of them are married immediately they graduate. "Now," he said, "it may be a minority of the group, but it creates a situation which must be looked at responsibly."

I have had some of the members of this house say to me that the provincial programs are inadequate. I do not know whether I am prepared to say they are inadequate. I have here before me the program as outlined by the department of education of the province of Ontario entitled "Ontario Student Aid Loans, 1964-65." It is a complete outline of that program. I am not prepared to read it out fully and put it on the record, but it does not look too bad to me in relation to what the president of this university had to say to me today. It does give the student who is eligible, who has the desire, and has the capability, the opportunity of going further along, with the money he might borrow from a chartered bank.

Contrary to what the hon. member for Hamilton West had to say, I deny that everything is political expediency. He seems to think no one has his eyes open until such time as legislation is brought forward or some pressure group comes into the picture. There is another thing I should like to point out in this regard. It was very interesting to me to note what happened the day we met the students union. I did not identify myself by name or by party and I stated at that meeting that my contribution, or questions, or presentation was on a non-political basis, whereupon all the Liberal members immediately howled me down. Of course we know what this is: It is the usual practice. But I think, now that the situation is somewhat different, and even at the cost of that trifling and usual Liberal embarrassment I stand here and say I intend to support this legislation; I think it is good and I hope it goes through at the earliest possible date.

Some time ago, as I was about to say to you, Mr. Speaker, early in May, being concerned that the legislation was not coming forward quickly enough—and I hope the excerpts I read to you and the house are sufficient to prove that at least we were sincere in what we were doing—I wrote to the minister of education in the province of Ontario, and he had this to say to me:

> You will notice that loans of $500 are available to Ontario residents taking courses in the institutions as listed for the current year. The appropriation for this fund is $3 million and we anticipate that all of it will be used.

Therefore I suggest again to the house that this is a valuable piece of legislation and I hope it is consummated in time for all the students who require it to make use of it.

With regard now to the student who puts himself in a debt position, I should like to say that I have before me a prospectus for the United States economy as put forward by a firm known as Vince, Saunders and Company, Inc., of Boston, Massachusetts. It is interesting to note that these statistics, which are dated June 15, 1964, indicate that by 1975 the gross national product of the United States will increase by more than 50 per cent to a record of $1 trillion per year. It is also estimated that there will be an increase of 40 per cent in today's average income and that the average family income in the United States will be $8,724 by 1975. There are a number of other statistics which I shall not bother to place on record, but I believe that this, together with the other quotations I have given, indicates that we must proceed, and proceed quickly in the direction we are now taking.

We all know, and it has been stated in the course of this debate, what the government has contributed to the universities on a per capita basis, and I hope—I do not know whether this has been mentioned; if not, I put it forward for what it is worth—that these contributions are made on a per capita basis of the student population of the universities rather than on the basis of the populations of the provinces of Canada concerned.

Some institutions are of course more progressive than others. We heard yesterday and last evening of the tremendous growth which will be experienced here in the capital city and I am sure a similar growth, if not a greater growth, will take place in the industrial centres of this country such as Mont-

real, Toronto, and so on. These areas surely can no longer be segregated on a provincial basis. In such cases, let us relate our contribution directly to the institution so as to enable them to do the job with which they have been entrusted. Let us not restrict them in any way. This would take care of universities in the maritime area where, as I understand it from the debate, they have a tremendous number of students attending from other parts of Canada. Then the other provinces can take advantage accordingly, and in this way there will be the proper distribution of the funds which are necessary.

I listened with great interest to some of the high minded speeches which have come from the government side of the house. I hesitate to say this again, because one becomes tarnished with a political approach in this house and outside. This is used for the purpose of showing something other than the sincerity with which a point is put forward. This evening I say to you, Mr. Speaker, and to the house, that some time ago I was involved in the possibility of the opening of a university at the Edgar radar site in Ontario, half way between Orillia and Barrie. I was intimately concerned with the progress of this particular proposal. The government came forward with suggestions. Members were working. Defeated candidates were working—and that is the important part of the question. Then all of a sudden there was a change. The government was not so vitally interested. They are now. And who pulled the rug from under the government? Their own defeated Liberal members. Yes, that is quite so.

I understand, some time in the future there is to be a university at Barrie, and I congratulate the people who are to take part in the establishment of that university. But if the government had had their sights set precisely in the first instance there would be an institution of learning at Edgar and maybe some time in the future they will regret not having established it. Let us not be so high minded about a piece of legislation here in the house in one instance and then play around with politics outside as seems to be a characteristic of this government—and it is regrettable that it must occur.

Mr. Moreau: Would the hon. member permit a question?

Mr. Winkler: With pleasure.

Mr. Moreau: I am not trying in any way to get into the debate. I should like to know whether the hon. member agrees with me that jurisdiction for setting up universities and their sites lies with the provinces.

Mr. Winkler: I agree very much with the hon. member for York-Scarborough (Mr. Moreau) but he must recognize that there is a tremendous capital plant in Edgar which somebody is going to get for peanuts, the way the Department of Defence Production is giving assets away; and if they had given it to the people of that area it would be properly used.

Mr. Moreau: Would it not be correct to assume that this site has been offered to the provincial government, for them to make use of it?

Mr. Winkler: If the hon. member will attach a price tag to it I would probably agree with him. It is offered on the one hand on a political basis for a very small figure, but when the provincial authority becomes involved the fee becomes a lot higher—and I know the details of what I am speaking about.

Somebody back there has said: "One of the members of the Interprovincial hotel committee". That is one thing I hold directly against the hon. member for Hamilton West (Mr. Macaluso). When a meeting was held down here and he accused me of playing politics with this issue, we on this side, attended that meeting here, not in the Interprovincial hotel in Hull.

No doubt there will be a number of questions asked during the clause by clause study of this bill. But I want to reiterate that the contribution made the other evening angered me no end. I refer to the remarks made with regard to the promotion of this legislation. I say again, Mr. Speaker, in a little more controlled way, that had it not been for the government's—and may be just the Prime Minister's—desire to proceed with his own method of handling legislation—and I refer to the flag resolution—we would have had this bill before the house when it should have been before us, in time for the majority of students to take advantage of it. There are some universities now that have their doors closed to applicants. This must be understood across the country. Nevertheless, I will vote for this bill; I will stand behind it—and when any other legislation with regard to facilities, plant or the engaging of staff—that is, the university faculties—is introduced by the government, I will stand behind such legislation as well.

Mr. H. E. Gray (Essex West): Mr. Speaker, I am very pleased to be able to say a few

words in support of this bill and in opposition of the amendment to it. I think that the hon. member for Grey-Bruce (Mr. Winkler), before criticizing in any way the hon. member for Hamilton West (Mr. Macaluso), should spend some time correcting his own colleagues who feel that this bill is unconstitutional and who do not seem prepared to support it. I say this in a rather non-political sense—I hope, in a more non-political sense than the hon. member—because I am quite pleased to note that he himself supports this legislation. If he wants to find very good authority from a leader of his own party on the attitude to take toward this matter, I have a quotation for him which reads as follows:

> The challenge of adventure into new fields of social welfare must not find us discouraged by the difficulties adherent in the British North America Act. We must go forth into new horizons of social justice...The state must guarantee and underwrite equal access to security, to education, to nutrition and to health for all.

These words were spoken by the then member for Lake Centre, the present Leader of the Opposition (Mr. Diefenbaker) during the debate on the family allowance bill in 1944, and can be found in volume VI of *Hansard* for that year at page 5460. I hope, therefore, the members of the official opposition who support this bill will bring this quotation to the attention of their colleagues who do not seem to share their views.

The University of Windsor, the Windsor teachers' college and the western Ontario institute of technology are all found in the riding of Essex West, and of course this helps indicate the basis for my interest in this bill.

The University of Windsor in the last few years has had a spectacular growth and development, much of which has come about under the inspired leadership of the Reverend Father E. C. Lebel. Father Lebel recently retired as president of the University of Windsor but will be continuing his work in the field of higher education as principal of St. Mark's college of the University of British Columbia. I know I speak for all the people of Windsor in adding further words of tribute to the many already expressed for his splendid service to the university and our community. The period of Father Lebel's work in Windsor reflects what has happened to higher education in Canada over the past several decades. When he came to Assumption college, a precursor of the university in 1941, to head its English department, three buildings were sufficient to provide both for housing and classrooms for some 100 college students and those of an affiliated high school. When he completed his last days as president at the end of June of this year the University of Windsor had grown to include some 11 buildings and some 3,965 students of which 1,816 were full time.

Yet the University of Windsor and the other universities in our country still have much to do to meet the demands that are being placed upon them. We are privileged in Windsor to have as Father Lebel's successor Dr. John Francis Leddy, former vice president of the University of Saskatchewan. Jerry Hames of the Windsor *Star* recently interviewed Dr. Leddy, and in a report in the Windsor *Star* of July 3, 1964, said that Dr. Leddy "showed concern for the large numbers of students who have attained university entrance standards, yet find themselves through either lack of accommodation or financial need unable to enrol in university".

Mr. Hames went on to quote Dr. Leddy as saying "there are more capable students who find themselves outside university than those who are actually enrolled in the university courses throughout Canada. It weighs very heavily upon me". Mr. Speaker, this is a matter that should weigh very heavily upon all Canadians, not only because of the injustice this situation has meant to the individuals concerned who up till now have not been able to obtain the higher education of which they are capable, but also because of the loss it has meant to our country of badly needed skills. I know that the majority of Canadians in all parts of our country will therefore welcome this legislation, which I think will do much to deal with the problem of financial need that has kept many young people from our universities and other institutions of higher learning.

I must say that in presenting this important legislation—and I say this in the same non-partisan, non-political sense as the hon. member for Grey-Bruce—within only a year and several months after taking office, this government has done something which the previous Conservative government was unable to do in six years of office, during four of which they had the biggest majority in Canadian history.

I think we should again take the opportunity to make absolutely clear that at least as far as I am aware this Canada student loan plan is definitely not being put forward in substitution for or in place of the 10,000 scholarships program which formed part of the platform on which we campaigned and gained office in 1963.

An hon. Member: Where are they?

Loans to Students

Mr. Gray: I might add, Mr. Speaker, that the hon. member for Hamilton West has no need to stand in this house during the question period or otherwise to avow his support of this program, because it formed part of the program on which he went to the people of his riding and in which he defeated a former Conservative cabinet minister.

The student loan fund and the university scholarships program were both part of our program for creating greater opportunities for our youth, of which the extension of family allowances formed another important part. We have already implemented one such program, the youth allowances, which I am very happy to support and which has the effect of extending the family allowance program. In presenting to parliament this measure with regard to student loans we are now proceeding with a further stage and I am personally confident that this government will seek an early and appropriate opportunity to present to parliament the program for the 10,000 scholarships as a further stage of our program for creating greater opportunity for our youth.

Opposition speakers have suggested that the making available of student loans will increase the strain on the capacity of our universities. However, it should not be forgotten that a study published in February of this year by the Canadian universities foundation stated, "In spite of a general continued increase in university enrolment, the situation in the fall of 1963 shows that there are still places in university for those who meet the minimum requirements". Therefore, Mr. Speaker, in spite of the obvious desperate need for more buildings there is room at this time for those who can take advantage of this student loan fund.

Every once in a while we still hear people say that any student who wants to go out and do so can earn all the money needed for tuition fees, room and board and other expenses. Research shows that this is simply not the case. According to the recent Canadian union of students—Loyola university—survey on student summer employment, 82 per cent of students work in the summer months but only slightly more than 50 per cent earn between $300 and $1,000; yet the average undergraduate costs run between $1,196 and $1,550.

The possibility of students being able to earn the money needed for their education from part time work is getting smaller and smaller. Many of the part time, summer jobs available to students at one time simply do not exist any more due to changes in technology. It is also clear that existing bursary and scholarship programs available through the provinces or through private sources are simply not sufficient to meet the need. If this were not so, Mr. Speaker, over half of those capable of higher education would not be outside our universities. This is further demonstrated by an interesting table showing student retention from secondary school to university which is to be found in the 1963-64 Canada Year Book. This table shows that of those entering grade 2 only about 15 per cent enter the senior school leaving year, and about 9 per cent enter university. And of those, only about 5 per cent graduate from university with a first degree.

For anyone to talk at this time, for example, of tightening admission standards to hold down the number of those seeking entrance to university is to urge a cruel and unrealistic solution and one which is dangerous to the future of this country. This country has so great a need for the skills which can come from higher education that it simply cannot afford to permit anyone capable of benefitting from higher education to be deprived of it for financial reasons. Canada can no longer leave the filling of this need largely to chance in the manner followed up to now—the chance which gave a student prosperous parents, or which brought him a good summer or part time job, or even the chance which gave him the stamina to follow his studies and to work at the same time.

Conditions in the world and in this country now are such that it is as much in the interests of the Canadian community to enable the young person to obtain a university education as it was, and still is, to provide him with a primary and secondary education. About 100 years ago systems of primary and secondary education available to all and supported by the community were created because they benefited the entire community. Secondary education and even primary education at that time was sufficient to enable most of the people to fill most of the jobs available and to carry out their duties as citizens. But today our world has changed to such a degree that merely to meet the same requirements of having a population able to carry out needed tasks and duties as citizens, the community must also be willing to assume the cost of making available higher education. I suggest, Mr. Speaker, that there is no logical reason today why the community through one of its governmental manifestations or another should

pay the cost of primary and secondary schooling but stay away from university training and education at a similar level.

We have to eliminate the idea that still lingers that in providing aid to those seeking university training we are bestowing some type of favour mainly for the private benefit of the student. It is true that university graduates earn higher incomes, but these incomes arising out of the greater productivity which is brought about by their higher degree of skill will not only benefit the community but will enable us to bear the cost not only of comprehensive social welfare programs but also the aid to higher education itself.

Most important of all, measures of the nature of the student loan fund will help make sure that Canada has the skills it must have to move ahead in today's highly competitive trading world. Without these skills our products will not be able to compete with those of other nations with ever-advancing technology. The maintenance and development of our standard of living depends on this parliament passing measures of the type we are debating. We must look upon the cost of this student loan fund and other measures which will follow as a form of investment in what is surely our most valuable resource—our young people, and the return on this investment will far exceed the expense.

Of course, Mr. Speaker, this student loan fund is not of itself the complete answer to the needs involved in paying the cost of higher education both to the competent student and to the university he attends. But it is a significant and an important step forward toward the goal of ensuring that no one who has the desire and the ability will be deprived of higher education for financial reasons in Canada. In conclusion, Mr. Speaker, to paraphrase the words of Dr. Leddy, president of the University of Windsor, this problem must continue to weigh heavily upon all of us until this vital goal is reached.

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I should like first of all to congratulate the minister upon bringing in this legislation, timid though it is. I wonder what happened, however, to those 10,000 scholarships.

Mr. Gordon: Just wait.

Mr. Rynard: The golden fleece which floated in and disappeared. And I wonder what happened to those headlines in the Toronto *Star* for May 1, 1962—"10,000 Scholarships for University Students". This is a poor substitute but it is a help.

Canada today badly needs university graduates. This principle we must accept. We have the second highest standard of living in the world, Mr. Speaker, and we boast about this. But when we compare our labour force, our university labour force, with that of the United States, for example, ours is 2 per cent while theirs is 6 per cent. In other words, Mr. Speaker, they have three times the number of university students per capita that we have. Further, let me say that in the scientific and technological fields we occupy somewhere between tenth and twelfth place in the countries of the world. I suggest, Mr. Speaker, that we have been living off our natural resources and failing to develop the greatest natural resource that we have—the brains of this country. We employ less than half per capita the scientists employed by the United States. I also want to remind you, Mr. Speaker, that Russia has boasted that in the year 1970 she will have twice the number of scientists that the United States has. Therefore I ask is it any wonder, when you look at this score, with the United States with three times the number of scientists that we have on its labour force, that we today have our industry largely controlled outside of this country? We owe our position today, as I have stated, to our good fortune in being blessed with some of the greatest natural resources that any country in the world can have, those natural resources which we have been exporting and not developing in our own country. We now need to develop the brains and the ability to handle, process and sell our manufactured goods in the markets of the world.

This year we had just over 180,000 students registered at universities. If my figures are correct, we had 142,000 university students taking full time courses and something like 45,000 were doing part time and postgraduate work. At our normal rate we will have doubled this in ten years. But this is not good enough. We are way behind other countries, as I have shown, and we will have to triple and quadruple the number of university students that we turn out, for our own survival. Out of every 100 children entering public school, 65 enter high school and eight of those enter university, six graduate with a degree. This waste of our greatest natural resource, Mr. Speaker, must stop. It is not

good enough, in plain economics, for this situation to continue. Roughly speaking, a university graduate earns a salary of over $6,000 a year. A high school graduate earns over $4,000 and a public school student just over $3,000.

As a natural resource the normal working span averages about 40 years. If we take this figure and multiply it by $3,000 we come up with a figure of $120,000. If we take the average yearly salary of the high school graduate and multiply it by 40 we arrive at the figure of $160,000. But when we go to the university field what do we find? We find an asset of just under a quarter of a million dollars. Some people say that we cannot afford to spend more money in this field but I say, Mr. Speaker, that we are in the position that we cannot afford not to do so.

I will go further and say that this, our greatest resource, give us greater economic stability, and over and above that there is the fact that the government will take in a lot of money in income taxes that will be paid on the higher incomes of those in the higher brackets. We are going to need this money in view of the high expenditures we have undertaken.

Over and above the value of higher education to society, higher education increases the earning power of the individual and it also increases the contribution of the individual to society whether in the engineering field, some other scientific field, teaching or whatever the vocation may be. Their increased earning power will be of benefit to the state because a great proportion of the incomes of people earning higher salaries is funnelled off and comes back to the government in income taxes. Thus the government is very interested in having these young men complete their education as quickly as possible. It is a good idea for them, because of the contribution the individual will make to whatever field he enters and because of the income taxes he will pay to the government.

The minister states that under the legislation students will be picked by the provinces and that every student who has shown the ability to take the course he plans on taking can receive a guaranteed and insured loan. I am wondering whether all pass students should not be accepted in our universities. In my day students were accepted on the basis of a pass mark from high school. We were accepted on the recommendation of our minister and our high school principal, plus the pass mark. The thing that was most important in those days was dedication to whatever course you wanted to pursue. I recall many such people and the great contribution they have made to the life of Canada.

[Mr. Speaker.]

To substantiate what I have been saying I should like to put on the record an editorial from the Toronto *Daily Star* of November 29 last which reads in part as follows:

> The estimate of 90,000 claimants for college places in this province by 1970 is projected on a basis of 60 per cent standing on matriculation, as now—not 50 per cent. Unless university authorities move more determinedly than they have been doing, the only answer may be to raise admission requirements still further. If this happens, perhaps even some of our student critics would be nonplussed, were they trying to enter then.
>
> They write as if would be entrants with anything less than 60 per cent were some sort of scum that would contaminate the intellectual climate of a university. They seem to forget that for 100 years (up to about 1955) universities admitted all comers who had 50 per cent standing on matriculation papers. Yet they maintained respectable academic reputations, and there was intellectual curiosity on the campus and mental stimulation in the classes.
>
> Many students who squeezed in with standings in the low 50's went on to graduate and achieve great things in professional and civil life. Some professorial heads of departments in the University of Toronto now—

I want hon. members to listen to this.

> —would never have been allowed into university by today's 60 per cent barriers and other exclusive regulations. The present head of one college was permitted to enter university even though he did not pass the required matriculation papers.
>
> It's academic arrogance to deride 50 percenters as if they were mental slobs. The majority of school pupils never reach grade 13; those who do and obtain between 50 and 60 per cent on matric exams are better than average in ability. The opportunity for a college education is denied them at peril to the progress of our society.

I remember a brilliant university graduate whom I had for a teacher. He was the worst teacher I ever had, although he had the highest academic awards of any of my teachers. I also remember another chap who did a great deal for me. I owe a great deal to him. I was complimenting him one day in my own way on what a great teacher he was and he confided in me that he had a difficult time trying to get through school. It had taught him a great lesson because he could understand people and he could understand how difficult it was sometimes to grasp a point.

I want to go further and say that high school is often not a good mirror of what abilities a student may possess, because later on he may turn out to be quite brilliant. There are many classical examples, some of which were mentioned in the house the other day. Canada needs all the increased earning power she can get. She must not waste her

greatest resource. A large number of Canadian boys and girls are capable of university education or vocational or technical training. To educate them we need more universities more equipment and more teachers.

I want to present some figures pertaining to the medical field because there is a real bottleneck there. First of all, we require five more medical schools in Canada to accommodate the students we need in medicine. Today we are short of doctors. Over the years this country has been graduating an insufficient number of medical men. I have only to cite figures for the last 10 years which show that in that period around 800 doctors per year have graduated from our 12 medical schools and during that same period some 600 immigrant doctors per year entered this country. That is the situation today and it has been the situation over the last 10 years, except the supply of immigrant doctors is drying up.

Over those years we should have been gradually building medical schools. I do not intend to blame anyone now because hindsight is a fine thing. But I go back more than 10 years and I remember a former prime minister of this country, Right Hon. Louis St. Laurent, speaking in the city of Kingston at Queen's University. At that time he said that grants were going to be given to the universities, without any strings attached to them. If my memory serves me correctly, that was in 1948. The government of that day should have known and did know that we were going to run into this problem. I say this the people will be the sufferers if we cannot provide the necessary medical care.

I believe the doctors are doing everything they can to give this service but we are faced with a tough problem in trying to get the medical schools constructed that we should have. Unfortunately it is also harder to get medical students than it was in 1947 and 1948. I remember then that medical schools were turning away 1,400 to 1,500 applicants a year because they could not accept them. Medical students or students who might consider medicine are taking a second look at the situation and are entering the fields of science where the rewards are probably a little richer. They are also a little perturbed about what might happen under medical care plans.

It takes seven to ten years to graduate a doctor, and this is after you have the buildings, the staff and the equipment. However our task is to provide the funds. Probably the per capita grant should be stepped up as well. In six years, Mr. Speaker, we doubled the per capita and I am wondering if it should not be doubled again. Classrooms must be built and equipped; teachers must be provided. The fees in universities range from $200 to $800 in medicine, and perhaps higher in some science courses.

According to the Hall report—listen to this, Mr. Speaker—we will need 7,100 more doctors than we have today, 42,000 nurses, 2,130 more dentists and five new medical schools, by 1973. This is less than ten years away. In other words, in 1973 we will be short of the number of doctors required by over 6,000. This is something of which we should have been well aware because we knew the population figures and the rate of increase. We were getting over 40 per cent of the number of doctors we were turning out by means of immigration. Two of the medical schools recommended will likely be built in the province of Ontario, one at McMaster and one at Sunnybrook.

I suggest to the minister that provision be made so that this $1,000 loan about which we are talking—I hope the minister is listening. I see he is in a discussion now, but I hope he will listen to this observation that a medical student goes to school more months per year than any other student. The fees for medical students, dentistry students and science students are higher than those of any other student, yet there is no provision for this in the bill. I ask the minister to take some provision because a medical student only has three months in which to earn money for his tuition.

Mr. Gordon: I should like to ask the hon. member a question. I think there is a lot in what he says, and I quite agree that the average medical student has to work very hard. I wonder if the hon. member would agree with me that the rewards perhaps are higher in financial terms, and in other terms, in medicine than in any of the other professions according to the statistics we have all been reading recently?

Mr. Rynard: I appreciate that question, and the minister is right. The only thing he did not mention is that he will drain most of it off in income taxes.

Then I should like to go on to say that the medical course is a long one. This loan scheme is set up on a four year basis, but the medical course runs for six years. I ask the minister to take this into consideration,

in view of the fact that we are going to be thousands and thousands of doctors short in the days ahead. It may be that the life of some member of the house or someone else's life may depend upon the availability of a doctor. Unfortunately we have seen too many instances in which a doctor—this is not the fault of the doctors—has been called to attend a heart case or an emergency case and no doctor has been available.

Let us take a serious view of this problem. I would say to the university authorities, for goodness sakes let us use these medical schools all year round. These expensive buildings have been paid for by the taxpayers and they are left unoccupied. We did this in 1940 to 1945 and we graduated doctors in about four years. I hope the minister can make some provision that will enable the universities to move in this direction. I appreciate the difficulty. However many of these university professors, sometimes living in these big cities, do not always understand that there are districts to which it is difficult to get doctors to go. We are all Canadians. I know in my own town of Orillia, and I apologize for mentioning this personally, the doctors are working very hard. They try to cover all cases of sickness. However, here we are short of doctors and the medical schools are operating on a seasonal basis. This has been going on for ten years.

Now, Mr. Speaker, this is simply not right. It is not good enough. I will say this, too, that all of our university buildings so far as possible should be used on a 12 month basis. We have capital invested in them, we are paying for them. The university people say to you, we have not got the personnel. Where in the world did we get the personnel from 1940 to 1945? We got them then and we could get them again. Canada has resources. Canadians have initiative. Let us do it. The cost of new buildings goes up and up. It is estimated that within the last ten years university costs have quadrupled.

This bill is a move in the right direction. I know that we can expect more from the minister. I am sure he realizes the position in which we are. It is a very serious position, particularly in the field of medicine and dentistry. I am wondering if we can afford to have any more places vacant during summer holidays. Let us provide more buildings, more equipment and more teachers. Let us start today. Let us review our whole economic structure. Let us review it, and let us see what the priorities are. Let us get going. By 1980, according to present estimates, we will have over 100,000 young people attending universities in Canada. Let us be ready to cash in on these resources.

Mr. Moreau: I wonder if the hon. member would permit a question? I did not want to interrupt during his speech. In view of the fact that the radar base at Edgar is in his riding, can he tell us if he has made any representations to the provincial government to have a university establish there?

Mr. Rynard: This is a very easy question to answer. I made representation after representation to this government to establish a grant of $1.2 million to Edgar university so we would have it going.

Mr. Moreau: What about the provincial government?

Mr. Rynard: That is all right; the federal government gives the grant to the provincial government. The hon. member may recall the vocational and technical schools that were built at a cost of over $2 million in east Simcoe, by grants to the provinces.

Mr. David Orlikow (Winnipeg North): Like other members of this group who have already spoken, I intend to vote for this measure, although I do so with a great deal of hesitation and reservation. I disagree with my seatmate who said yesterday that half a loaf was better than none. This is not even half a loaf. This is a few crumbs compared to what is needed, and a few crumbs compared to what was promised by the government when they were in opposition. This is so typical of the Liberals. When they were in opposition promises were easy, but when they are in office what they do is very small.

The hon. member for Vancouver-Burrard (Mr. Basford) sought yesterday to create the impression that the government, as a result of this program, would be paying out some $40 million a year. Of course this is nonsense because the $40 million a year will be paid by the students. The maximum this government will pay will be about $2 million a year, and when you look at the needs you see how little this means.

What disturbs me is not that this is the only bill the government is bringing forth. What disturbs me is not just that the promises made before the election, for 10,000 scholarships of $1,000 each, have been forgotten. As a matter of fact, those promises were not made just before the election. A year ago, or little more than a year ago, the Minister of Northern Affairs and National Resources was making

speeches saying the government was going to go ahead with this program. On May 2, 1963, the Toronto *Star*, which is certainly no opponent of the government, had an editorial headed "Over the Hump" and I just want to quote the first paragraph from it:

> The Liberal government is losing no time in honouring one of its most important campaign promises—a system of national scholarships for university students.

Where is this system of national scholarships? It is gone with the wind, and I guess we will not get it back until there is another election in which the Liberals have to seek fresh votes again. That is typical of this government.

A country cannot progress in this day and age if it does not meet the educational requirements of modern technology and automation. We have to look at the whole picture of universities, yet if one reads the minister's speech it appears he never even listened, let alone understood, the representations made to the government by the Canadian universities foundation, the Canadian association of university teachers or any of the other organizations interested in education.

Highly qualified and most expensively educated people are leaving Canada at an ever increasing rate. One can ask the Minister of Trade and Commerce (Mr. Sharp) how many bushels of wheat left Canada last year, and he can tell you to the exact bushel. If we ask the Minister of Agriculture (Mr. Hays) how many head of cattle were shipped to the United States last year he can give us the exact number; but if we ask the government how many doctors, physicists, engineers and professors went to the United States, the government has to go to the Americans and ask them—which it did.

In the last three years this country has lost over 1,000 physicians to the United States, over 2,500 engineers, 96 physicists, 122 geologists and geophysicists, and 192 professors in the social sciences. We can go on down the list as provided to us by the Americans; but the question is, what does this cost? What will it cost us to replace these people? To replace those I have mentioned it will cost $62\frac{1}{2}$ million, according to calculations made by the dominion bureau of statistics. This grant in aid to the United States of $20 million annually is much too much for the Canadian people to be making.

Before we get on with this kind of program, before we really get on with helping the universities, we ought to give some real consideration to what is needed. The government has always refused to do this. It has taken the easy political way—what will be popular with the young people, what will be popular with the electors, what will be cheap, yet something which will look good and won't cost too much money, such as this loans program.

I recognize the fact that under the constitution education is a responsibility of the provinces. Each province has done a tremendous job, increasing the amount of money and effort devoted to education since the end of world war II. In the field of public education the provinces have done an excellent job. They have done a commendable job in the field of university education, but for a long time it has been obvious that the provinces by themselves simply cannot meet the needs of the universities.

The federal governments, Liberal and Conservative, have recognized their responsibilities to the universities and given support to them by per capita grants, by tax abatements to the province of Quebec, by grants for research to scholars in universities, by grants through the Canada Council, and the national research council, which have made grants for some types of buildings. We have also had loans for students' residences, but the support to date has been completely inadequate to meet the needs of universities.

A way must be found, and I believe it can be found in co-operation and in consultation with provinces and the universities, whereby the money can be realized in ways which are not objectionable to any province in the country. Our goal should be, through co-operation between the federal government and the provincial governments and private industry, to provide adequate financial support to enable the universities to fulfil their responsibilities and to provide the trained people we are going to need in the next 10 or 15 years.

To do this we have got to have, not the kind of haphazard program which is being proposed today but a comprehensive program designed to meet the needs of the universities and the students. What we have not had yet from government is a systematic approach of support for the universities. What we ought to have is a conference between the federal government, the provincial governments and the universities to evaluate what is required and to set goals for the next five or ten years, and to try to agree on how these goals can be achieved. A conference should be called immediately by the federal government,

with the provinces and the universities, in which these goals could be worked out.

Present federal grants to universities, based on provincial population, are completely unrelated to needs and, Mr. Speaker, I say this, coming from a province which is not one of the poorest, that the universities in low income provinces, particularly in the Atlantic provinces, have been the most handicapped by the present grant structure, which has not given any consideration to their inferior financial resources compared with other provinces. This is a deficiency which should be corrected at once if these provinces are to meet the requirements of their universities and students.

I do not believe in second class citizens. I do not believe that the students in the Atlantic provinces should be second class students, but that is what they are and that is what they will be until the government evolves a program designed to meet the needs of those provinces. If it is not done, the Atlantic provinces universities are going to have more difficulty than they have already had in keeping their staff and in recruiting the kind of staff which is necessary.

I wonder if the Minister of Finance paid any attention to the representations made to him by the Canadian universities foundation. If he did, it certainly was not apparent in the speech he made when introducing this bill, or in any other speech he has made since he came to this house. In December of 1962 the Canadian universities foundation presented a brief to the Minister of Finance in which they made very clear what the needs of the universities were for the next two years. For buildings and research facilities alone for the next three years the Canadian universities will need $800 million. They have calculated they are going to get from the provinces and from private industry something in the neighbourhood of $500 million. In other words they are $300 million short for the next three years with regard to buildings and research facilities alone. They proposed to the minister that the government of Canada establish a fund of $300 million for matching capital grants to universities and colleges. We have not heard a word about this proposal and there has been no indication from the government whether or not they intend to consider it. There has been no indication whether they intend to meet, if not the whole request, then part of it. All we have had, as I have said earlier, is this cheap proposal for student loans which will really do nothing to meet the basic needs of our universities.

Universities operating costs are rising at the rate of more than 15 per cent a year because of the increase in the number of full time students, the increase in the number of staff required and the growing cost of maintenance. The Canadian universities foundation recommended that the per capita grants to universities be increased to $2.60 from its present rate, just to meet the needs as they were calculated when the present per capita grants were established. Nothing has been heard from the government with regard to this proposal.

The Canadian association of university teachers in a submission to the Minister of Finance (Mr. Gordon) of January, 1964 pointed out that the present full time enrolment at the universities, which was 114,000 in 1960-61, would rise to 312,000 by 1970-71. This would mean that the universities will require 23,000 new university teachers by that time. The annual rate of recruiting recently has amounted only to 1,300 new university teachers a year. By 1970 we shall need 3,500 a year and there is no indication when or how we shall get them, because this particular program will really do nothing to provide for what is probably the most important need in our universities, that is, graduate students; there is nothing in this program to encourage graduate students to continue their studies in Canada, or even to come back to Canada if they go to the United States as so many of them have done. Representatives of the universities have pointed out to the government that no university in Canada at the present time possesses a library which meets the needs of graduate scholarship or research programs. Yet there has been no proposal by the government to meet this need. We have heard from others in this debate about the need for research. I wonder if the Minister of Finance has had a chance to see the report prepared for the national research council by a committee headed by Dr. Spinks, president of the University of Saskatchewan in which the need for increased aid to scientific research in the universities was dealt with. In a speech which Dr. Spinks made to the royal society at Charlottetown in June of this year he pointed out that the amount for scientific research which the national research council gave to the universities in the year 1963-64 was $9.2 million. The committee recommends that next year this should be

increased to $19.6 million and that by 1968-69 it should go up to $52.9 million. There is no indication that the government is prepared to move on this recommendation.

So far, all we have been offered is this student loans program which is a very small part of what is needed. Dr. Spinks pointed out that while scientific research in the universities has grown it has not kept pace with the need. I should like to quote a couple of paragraphs from his speech. He said:

> It is imperative that Canadian scientists be provided with a few major installations. While it is not contemplated that every university should be equipped with very expensive installations in the various disciplines, it is essential that a limited number of such facilities be available in the country to serve university science.
>
> It is of the utmost importance that the recommended minimum support be provided. In the past few years, during which the developments in world science have been spectacular, the first class research ability of Canadian scientists has been seriously handicapped by lack of modern research equipment, and Canadian science has been steadily losing ground. Canada's scientific competence, which is essential to the realization of our national aspirations, is declining seriously through lack of tools.

I could read into the record what experts appointed by responsible agencies of the government itself have recommended. But the minister ought to know these things and we certainly should have had from him by now some idea of what priorities, what plans, the government has in this field. Yet up to now we have been told virtually nothing. In December of 1963 an influential group of medical researchers and doctors made representations to the minister on this subject and I should like to read a couple of paragraphs from the representations they made:

> It has been clearly evident during the last decade that the support which is available for medical and biological research in Canada in the universities falls far short of that necessary to maintain the highest standards of scientific accomplishment. Although the medical research council of Canada, and other granting bodies in Canada, have steadily increased their budgets in the last few years, the sums available have not kept pace with the increasing costs of research, and with the requirements of an expanding number of research workers. As a consequence of this situation many of the most gifted young investigators, unable to find the means to carry out their research in Canada, have to find their opportunities for work elsewhere, mainly in the United States. This loss is felt not only in the organization of existing research groups but also in the education of future scientists, who are deprived of the contact with many of the best creative minds of Canada. It can be foreseen that the continuous process of depletion of the nation's talented personnel will have an adverse effect on the quality of research training and of teaching provided in the coming years when an expansion of the size of universities will be necessitated by the increased influx of students.

It seems to me that if we pass this bill—and I presume we will, because the overwhelming majority of members have indicated their intention to support it—we shall have made only a minor beginning in our efforts to overcome these difficulties, and a minimum beginning in the implementation of the promises made by this government to the people of Canada. I hope the promises made with regard to university education by this government when it was in opposition will not take as long to come to fruition as the promises made during the Liberal convention of 1919 which elected Mr. Mackenzie King to be leader of the party. The people of Canada have heard a great many promises made by the Liberals in years gone by, and I hope and expect they will keep a close watch on the government to see that it carries out the promises which were made in the field of education a great deal quicker than is indicated by this legislation.

Mr. Joseph Slogan (Springfield): Like many who have spoken before me I would like to say that I will support this measure to extend interest free loans to university students. I am happy that the government has finally seen fit to bring in this legislation, after so much urging on the part of the opposition. I hope it might be passed in sufficient time to make this assistance available to university students this fall.

Like many in this house who have very modest backgrounds, I had to depend in my university days on scholarships and bursaries. I can appreciate the sacrifices made by my parents to give me an education, something which they themselves did not have the privilege of acquiring. As one who was one of the first from my district to gain a university education, I appreciate the hardships which have kept many of our brighter young people from acquiring a higher education. Thus, this measure of loans is welcomed. It will assist substantially thousands of young people to carry out their university education uninterrupted.

Education today is a key that opens many doors. It moulds personality; it makes for opportunity; it erases prejudice and broadens our horizons. But just opening doors to universities does not solve all the problems which an individual must meet. They say you can lead a boy to college but you cannot

make him think. The placing of certain minimum standards of qualifications in the act I think are justified.

The former government recognized the needs of universities and, as has already been stated in this house, we doubled the per capita grants to universities, made available long term, low interest loans for the construction of student residences, provided for certain income tax deductions of university tuition fees and various other things that could be mentioned. I think the hon. member for Burnaby-Richmond (Mr. Prittie) elaborated on the financial assistance that is being given to education and research this year, and I am not going to enumerate this assistance. But I did jot down the amounts and I think they total something like $156 million. That is certainly a substantial amount of federal money to be going toward education.

I think it is readily recognized that the costs of education have skyrocketed. One has only to look at one's real estate tax these days to realize the extremely heavy burden borne by municipal taxpayers to meet the costs of education at the elementary and secondary levels. In my own province of Manitoba there has been a resolution in education by the establishment of larger school divisions and the provision of school transportation, with the attendant added expense on roads. The small, eight grade, one-room schoolhouse is now disappearing along with unqualified teachers. Educational opportunities in rural areas are being equalized. All this is for the good of our young people and our country. Therefore, the heavy burden of local taxes has not been complained about as much as some people would expect, because I believe the taxpayers see it as their duty to provide these opportunities for our young people. We hope the young people will justify our faith in them.

With the onslaught on our universities now by the new generation, provincial government coffers are becoming strained. Therefore there is adequate justification for municipalities appealing to the provinces for higher grants, and in turn the provinces are calling for more federal participation. Thus, I think this measure and the measures already mentioned of assistance to education are well justified. I do not for one moment underestimate the need or impact of federal help to higher education; but I do question, as I have in the past, the approach of the federal government to these provincial and fundamental educational problems.

[Mr. Slogan.]

In the first place, I think our action in again entering the field of provincial jurisdiction emphasizes the need for reassessment of our position vis-à-vis the provinces. One of the fundamental laws of democracy should be, I think, that the government that spends the money should levy the taxes. This comes back to the suggestion I made in the budget debate, that it is imperative to hold a constitutional conference to do two things; one is to reallocate jurisdiction among the three levels of government, municipal, provincial and federal; and second, to reallocate taxing powers to be commensurate with the jurisdiction of each level of government. In other words, give the respective governments the tax base to meet their needs. Following this, an agreement on priorities of spending must be had.

This has already been proposed by Premier Roblin and I know it has won the support of the Minister of Finance (Mr. Gordon) as reported in the *Gazette* editorial of yesterday. I think the system of priorities is very urgent and this is one of the reasons I asked the question of the Acting Prime Minister (Mr. Martin) today. However, from his answer I cannot see that this government is going to take any action in that direction, and I am sorry this is the case.

I think we have to be realistic. We have to realize that there is only one source of revenue for governments, and that is ultimately the taxpayer. I think we have to recognize, too, that the taxpayer has a limit to his resources and only so much money can be extratced from him. Realizing this, the various levels of government must plan ahead on a schedule of priorities in at least the three or four major spending fields, such as education and health and welfare, where jurisdictions overlap.

I think if we did this we would be heading for that Canada charter of which I spoke in the budget debate. To paraphrase the late President Kennedy's words, "The constitution would make us not rivals for power, but partners for progress".

To reach such an agreement will mean co-operation and compromise, but the results of success will ensure the future of Canada in the twentieth century. Failure to establish these priorities will, I think, face us with catastrophe and a breakup of confederation. The success or failure, of course, of this conference will depend in large measure on the province of Quebec. I believe that the province of Quebec must display a more positive attitude to remove the label, "They don't

know what they want and are willing to fight for it". But money itself will not solve all the problems of education. I have some personal views and opinions on education, and I must stress that these opinions are my own. My feeling is that our educational system is outmoded, archaic and ineffectual. I feel it has failed to keep in step with the general advance in technology and the times.

There are several factors in our educational system which I criticize. One is the failure of the educational system to recognize the influence of mass media communication on the maturing process of children. As our society has become more complex, more years have been added on to educational courses. At the same time, I observe that our children are maturing much faster. The result has been that our young people are ready for marriage at an earlier age, but for practical reasons their educational pursuits place obstacles in their path. As a result, we have a higher percentage of students marrying before they graduate, some of whom fail to complete their education for the reason of the added economic burdens after marriage. I think these scholarships and bursaries might do something to alleviate this position. Second, we must recognize the change in the moral behaviour of our young people in the teen age group. Some of this breakdown has to do with the educational system, and I do not need to elaborate on that aspect. First, I think the educational system has failed to offer the moral leadership that should be expected in our schools. In this respect the school curriculum has fallen behind in social adaptation.

Associated with the curriculum is the method of teaching. Here we have failed to keep up with technological progress. As one who carried on some mental testing programs during my university years, I found a close relationship between a child's mental age and his success in his grade, more so perhaps than between his physical age and success. Instead of placing students together on the basis of their chronological age, perhaps a grading on the basis of their mental age would be more suitable and enable a class to advance more evenly.

I think a great deal of research should be carried on into the capacities of children to absorb knowledge at the various ages, and a great deal of research must be carried on regarding the best methods of projecting that knowledge so that it is most easily absorbed. Closed circuit television, audio visual aids, etc., are essential. What will this mean? A scientifically construed curriculum scientifically projected means the faster absorption of knowledge with a consequent shortening of the educational period. This revamping of the curriculum and methods of teaching should take place from the earliest grades.

At the university level basic facts must be recognized. Crowding of our universities does not allow us the luxury of allowing our university buildings to lie idle for several months of the year. The hon. member for Simcoe East (Mr. Rynard) has already made out a concrete and well presented case for the need to utilize university facilities, buildings, etc., the whole year round.

The increase in bursaries, scholarships and loans should enable students to attend classes with the exception of only minimal holidays during the year. This should allow for the shortening of many professional and university courses, such as medicine, dentistry, and those courses which now take a substantial time out of a student's life.

At the same time, we must recognize that with the rapidly increasing university population it is becoming more and more difficult for these young people to find summer jobs. In keeping with my earlier plea, I say let us plan to allow our young people out of university sooner so that they can marry and take their place as more useful citizens in our society.

In conclusion, let me repeat some of my earlier observations. I welcome this measure and the other measures the federal government has undertaken to ease the strain of educational costs on the provinces. Coming back to my earlier thesis on the reallocation of jurisdiction, may I say this. If the strains of education tend to continue at crisis proportions within the provinces it may be wise for the provinces to ask the federal government to assume jurisdiction over university education. This is something which I think we should not ask for, but I think that if it is offered to us we should not shirk our responsibility towards it. I say this because I think there is a great deal to be said for more uniformity of education, which would take place at the federal level. Especially in the technical and professional fields many provinces have been unable to offer training facilities. Taking over the higher education field would mean more equality of opportunity for students to gain entrance, because at the present time, especially in many professional colleges, preference is given to the local students. There would be more uniformity in training across Canada, and larger institutions

would allow for better facilities and staff which I think make for a better education for our professional people. Thus we would be enabled to establish a higher quality of education and larger establishments of learning, and supply them with the staff and facilities which are needed. This is just a suggestion of my own, but I know it is shared by many in this house.

Now, Mr. Speaker, in order that I might not be accused of holding up this legislation I am willing to sit down so that a vote might be taken on the amendment.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I think this is just the third speaker from this group in the three days of debate but it is not my intention tonight to speak on the bill itself. I only desire to make a very brief reference to the amendment. The leader of our party, the hon. member for Red Deer (Mr. Thompson), has already indicated that we intend to support Bill No. C-110, although there are a number of very obvious weaknesses in it. I am sure we all agree that the need for such legislation exists, so therefore we are prepared to support it. However, the amendment now before us is that Bill No. C-110 be not now read a second time, and for the reasons which are given.

We agree in principle with the objectives to which this proposal is directed, but we are opposed to the delay which the adoption of the amendment would occasion. Because of that fact it is not our intention to support the amendment which is currently before us.

I had intended to call attention to a number of statements made by the leader of our party but I do not propose to do that at this time. However in speaking briefly on this amendment I want to emphasize that we believe that the facilities of the Bank of Canada should be used for this purpose. This was stressed by the hon. member for Red Deer and also by the hon. member for Chicoutimi (Mr. Côté). We support that proposal but we also realize that if this amendment were to carry it would delay implementation of the legislation and deprive many young people of the opportunity of securing loans which are needed for this coming school year. Therefore, Mr. Speaker, because of that consideration we are going to vote against the amendment, but we will of course support the legislation.

[*Translation*]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I see that it is pretty near 10.30 p.m. and since my remarks would take me beyond regulation time, I wish to propose the adjournment of the debate. As a matter of fact, I beg to remind you that it is now 10.30.

[Mr. Slogan.]

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, perhaps the house would agree to sit a few minutes more—if we could thus dispose of this amendment—in order to listen to the hon. member for Pontiac-Témiscamingue whose speeches are always interesting.

Mr. Martineau: Mr. Speaker, I am sorry, but I cannot accept the suggestion just made by the Minister of Justice.

[*Text*]

Some hon. Members: Question.

Mr. Deputy Speaker: The Chair must call it 10.30 unless we have unanimous consent to continue.

Some hon. Members: Question.

Mr. Deputy Speaker: If we have unanimous agreement I am prepared to submit the question.

[*Translation*]

Mr. Martineau: This being the case, Mr. Speaker, I shall accept what looks to be the unanimous opinion of the house and my comments will be quite brief.

I did not propose to speak at this stage of our discussion, but since it appears that the intention is to end this evening the debate on the amendment, I must express certain views and explain why we, on this side of the house, or at least the Conservative members from Quebec, have to oppose the amendment brought forward by the hon. member for Roberval (Mr. Gauthier).

It is a well known fact that we, on this side of the house, are not very happy with the provisions of the bill, and for very good reasons, which have been eloquently, masterfully, clearly and fully stated by members as competent as my colleague from Berthier-Maskinongé-Delanaudière (Mr. Paul), as well as by our provincial leader, the hon. member for Three Rivers (Mr. Balcer), the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and many others who have dealt with this bill.

It is quite clear that this bill violates the spirit of the constitution, because it affects the clear and exclusive jurisdiction of the provinces in the educational field.

But this bill has a more serious defect which appears when reading clause 15, among others. Indeed, the bill, and more particularly that clause, is contrary to the whole economy of common, or civil, law in the province of Quebec, attacking its very roots. According to the provisions of the civil code concerning the minority, it is anticonstitutional.

The federal government impinges upon one of the main provisions of the civil code of the province of Quebec.

I say that no federal legislation whose purpose is to provide for capacity to enter into a contract, as clause 15 of this bill provides, can possibly be constitutional.

When we examine the various clauses of this bill in committee, we, on this side of the house, will oppose those specific provisions. We, therefore, implore the Minister of Justice, who is an expert on constitutional law, immediately to consider some called for amendments to the bill.

However, we are interested at the present time in knowing whether the amendment put forward by the member for Roberval is acceptable. I submit that we should oppose it since it is precisely contrary to the theories which the people at the extreme left of the house try to put into circulation.

Mr. Speaker, let us examine this bill somewhat. I have not got it before me, but I know it proposes a six month's hoist in order to allow the government to pass legislation required to allow the Bank of Canada to pay to the provinces the money they need to discharge their responsibilities in the field of education.

Mr. Speaker, let us consider somewhat the implications of this amendment; it tends to reduce the provinces to the rank of vassals. They are to be servants in the pay of the federal government.

As a matter of fact, through this amendment, the provinces become beggars before the central power, for the money required to discharge their obligations under the constitution, whereas you know very well that according to the British North American Act, according to our constitutional history, the provinces are sovereign in the fields bestowed upon them by the constitution and under the British North America Act.

And here, instead of taking the necessary measures to recognize this legitimate sovereignty of the provinces in the fields under their jurisdiction, we would substitute a retrograde, centralizing, incomprehensible attitude, and, above all, an attitude which is contrary to the theory often times expressed in this house by those who have precisely proposed this amendment.

Mr. Speaker, the amendment in question definitely contravenes the functions of the Bank of Canada. Let us rather assume our responsibilities and ask the federal government to withdraw further from certain taxation fields, so that the provinces be allowed to levy the funds they need to fulfil their responsibilities, especially in the field of education.

I do not understand how the hon. member for Lapointe, for instance, supports such a proposal. Indeed, Mr. Speaker—

Mr. Grégoire: May I put a question?

Mr. Martineau: When I have concluded my remarks.

Mr. Grégoire: I can see that you understand nothing at all about that. You do not know much about the banking system. It is easy to see when a person knows nothing about that.

Mr. Martineau: I think I have the floor, Mr. Speaker. I shall be glad to answer all the hon. member's questions in a few moments.

In my opinion, the hon. member for Lapointe is the one who did not examine thoroughly the proposal he is now so strongly advocating and I feel his stand shows what an opportunist he can be. It especially indicates that the hon. member for Lapointe never really understood the cause he claims to stand for.

Sheer nonsense, that is what it amounts to. Just imagine, for a moment, how ridiculous a situation can be where you have the hon. member for Lapointe who, after having proposed to this house that the province of Quebec be granted the rank of an associate state, comes and tells us today: We, in the province of Quebec, are no longer capable of raising the funds we need to legislate according to the constitution and we shall come to Ottawa to beg for the required money. If the Bank of Canada is good enough to give us what we ask for, then we can take our responsibilities.

Well, it is obvious that this amendment has been put forward without having been considered seriously: it is outdated, ridiculous, contradictory in its conclusions and contrary to any sound constitutional principle. That is why, in spite of all the flaws contained in the bill, with which we shall deal on another occasion, we will oppose the amendment.

Division

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, I should like to say a few words on the amendment. I think I have a right to do that. We have been listening to the hon. member for Pontiac-Témiscamingue—

If no one has called it 10.30 yet, I would like to speak on the amendment. Could you not refrain from calling it 10.30, Mr. Speaker, so that I may speak on this amendment—

An hon. Member: Question.

Mr. Deputy Speaker: Order.

[*Text*]

If any one of the members wants to call it 10.30, of course we will not be in a position to continue. We are continuing after 10.30 only because we have the unanimous agreement of all members to continue this procedure. If an individual member wishes at this time to call it 10.30, we will adjourn this debate.

Mr. Barnett: Was it not implicit, in the unanimous consent that the house continue to sit for a few minutes, that there would be the vote taken as soon as the hon. member for Pontiac-Témiscamingue (Mr. Martineau) had concluded his remarks?

[*Translation*]

Mr. Grégoire: Mr. Speaker, we are all set to vote. A little later on, we shall have an opportunity to reply to the silly remarks of the hon. member for Pontiac-Témiscamingue.

[*Text*]

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Question.

The house divided on the amendment (Mr. Gauthier) which was negatived on the following division:

YEAS

Messrs:

Beaulé
Bélanger
Boutin
Caouette
Dionne
Gauthier
Grégoire
Langlois
Laprise
Latulippe
Perron
Plourde
Rondeau—13.

NAYS

Messrs:

Aiken
Alkenbrack
Balcer
Barnett
Basford
Batten
Béchard
Beer
Benson
Berger
Bigg
Blouin
Boulanger
Brown
Byrne
Cadieux (Terrebonne)
Cameron (High Park)
Cantelon
Cantin
Cardin
Carter
Churchill
Cooper
Côté (Chicoutimi)
Côté (Longueuil)
Cowan
Crossman
Crouse
Cyr
Danforth
Davis
Deachman
Dinsdale
Doucett
Douglas
Drouin
Drury
Ethier
Fairweather
Fane
Favreau
Fisher
Forest
Francis
Gelber
Gordon
Gray
Gundlock
Hahn
Hales
Harley
Herridge
Honey
Horner (The Battlefords)
Irvine
Jewett, Miss
Kelly
Kennedy
Kindt
Knowles
Korchinski
Laing
Lambert
Laniel
Leboe
Lessard (St. Henry)
Legault
Macdonald
Mackasey
MacNaught
McIntosh
McLean (Charlotte)
McMillan
McNulty
Madill
Martin (Essex East)
Martineau
Matheson
Monteith
Moore
More
Moreau
Morison
Muir (Cape Breton North and Victoria)
Mullally
Nesbitt
Nicholson
Nielsen
Nowlan
O'Keefe
Orlikow
Ormiston
Otto
Pascoe
Patterson
Paul
Pennell
Pickersgill
Pigeon
Pilon
Prittie
Pugh
Rapp
Ricard
Robichaud
Rochon
Rock
Rouleau
Ryan
Rynard
Simpson
Skoreyko
Slogan
Smallwood
Starr
Stewart
Tardif
Temple
Thomas
Thompson
Tremblay
Tucker
Turner
Vincent
Wahn
Walker
Watson (Assiniboia)
Watson (Châteauguay-Huntingdon-Laprairie)
Webb
Webster
Weichel
Whelan
Winch
Winkler
Woolliams—135.

Mr. Deputy Speaker: I declare the amendment lost.

Some hon. Members: Question.

[*Translation*]

Mr. Ricard: Mr. Speaker, may I call it half past ten?

[*Text*]

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I would like to ask about the business for tomorrow and Monday.

Mr. Favreau: Mr. Speaker, at the opening of the sitting tomorrow the Prime Minister will report on the conference of commonwealth prime ministers.

Some hon. Members: Hear, hear.

Mr. Favreau: The remainder of the day will be taken up with estimates. We will begin with the estimates of the Post Office Department; the Department of Northern Affairs and National Resources will follow, with the Department of Public Works after that, if there is time left in the day. On Monday we will take the second reading and the committee stage of the student loans bill, which will be followed by the—

Mr. Bigg: Recess.

Some hon. Members: Hear, hear.

Mr. Favreau: I hope it will be only a dinner recess. This will be followed by the second reading and committee stage of the measure respecting federal-provincial fiscal arrangements.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

NATIONAL DEFENCE—REQUIREMENTS RESPECTING BILINGUALISM IN CONSIDERING PROMOTIONS

Mr. Erik Nielsen (Yukon): Mr. Speaker, I think it would simplify matters if I raised a series of questions with respect to sessional paper 93e relating to the so-called bilingual order that was issued to the army, and by the army, and tabled during the orders of the day. In reading the order carefully there are several questions which arise. For instance, section 1 of the order sets forth the following:

> For the purpose of this instruction the expression "bilingual" will be taken to mean the ability to use the English and the French language.

Not only this section but other sections of the order raise in my mind the question as to what force will be given to promotional factors if staff officers, as the order describes them, are able to speak other languages which are required of them in the course of their duties. For example, I know there is a service course in the Russian language as well as in other languages, and these additional qualifications must surely have a bearing on the promotional aspirations of staff officers.

Another question which arises in my mind is, what service commitments, as the expression is in the order, require that both the English and the French languages be spoken? I know of only two service commitments, although there may be more, where a language other than French or English is required to be spoken; but it would be interesting to learn how extensive a requirement exists in the army as opposed to the navy and air force, where both French and English have to be spoken.

This expression is used in section 2 of the order; and in section 3, the one which disturbs me most, appears this sentence:

> All ranks must be made aware of the fact that these symbols—

—that is, referring to the symbol which is attached to an officer's name if he speaks both languages either moderately or fluently well—

> —are of real significance, and that the possession of them would be a factor in determining suitability for employment and hence career advancement.

Does that mean that we are going to reach the stage where staff officers must be bilingual before they are employed, and must be fluently or moderately bilingual before they are eligible for promotion? Or does it mean that an officer of the rank of lieutenant who is French speaking will remain in that rank until he learns English? Does it mean that an officer of the rank of lieutenant who is English speaking will remain in that rank until he learns to speak French? I am sure that members of the forces, and especially the army, will be interested to learn the answer to this question.

Again it is set forth in this order, although I cannot lay my finger at the moment on the particular section, that the result of these tests which are going to be conducted once a year will be included in the annual report. In the air force the nomenclature of this report is R.2/11. I do not know what it is in the army; but what significance has the inclusion in the report of the testing results with respect to future promotion of army personnel?

Then the overriding question is: Why is such an instruction not applicable to all three

armed forces equally? Why is it exclusive to the army? Are there commitments in the army which require bilingual staff officers, whereas there are no such requirements in the navy and air force? I think that is a question which should be answered.

I also think we should know who are going to be the members of the board. If the order has been in existence since November of last year and testing is done in January of each year, there must already be in existence a board. Who are the two permanent members of this board? Is this board one that travels throughout Canada and to overseas posts, for instance, where staff officers are on staff for the purpose of administering these tests? I should like to know what the percentages are in this regard. How many English speaking officers have learned to speak French to date, and has it had a bearing on promotion; and how many French speaking officers have learned to speak English? What will be the balance in the future? Are we going to have officers primarily of French speaking origin commanding other ranks primarily of English speaking origin, and vice-versa? This will affect the whole morale structure in the army, as I am sure it would in the other two services. The minister will realize this.

Certainly in my background of service life I know how it would affect me if I were still a member of the air force and if this sort of order were introduced. The morale of the forces in the other ranks will be very definitely affected since this directive is aimed at staff officers and it is aimed at command. It is not aimed at the lower ranks and other ranks in the forces.

You might come up with a predominance of officers from one particular province commanding other ranks from another province. I think this sort of thing should be explained and the minds of army personnel of all ranks, and of all ranks in the other two services, set at ease because there are several questions that I think will be arising in their minds. The minister has very kindly told me that the terms of the order which issued from the minister's office are substantially—

Mr. Deputy Speaker: Order. I must interrupt the hon. member as his time has expired.

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I am not sure I will be able to answer in three minutes all the questions the hon. member for Yukon (Mr. Nielsen) has asked. Perhaps I might start off with a question he did not ask concerning the terms of reference. He asked me earlier today to table the instructions that were issued to the forces and I can say that what I could have tabled is exactly the same order, except for my signature of approval on it. This was really the authority to go ahead with this particular order.

The way this came about was that in discussions with the chief of the general staff it was felt that we wanted to find out what the proficiency in languages was among the members of our forces, and particularly in the army. The whole instruction has to do with being able to test proficiency in bilingualism and to arrive at some form of standards whereby we would be able to detect in the records of different members of the forces just how proficient they may be in languages.

As the hon. member knows, we have schools and programs for teaching English and French. For instance, at the Citadel we have four month programs under which the French are instructed in English and vice-versa. We also have a program of exchange of officers between the Royal 22nd Regiment and other regiments in order to be able to facilitate bilingualism. But we wanted to have a means of finding out just how proficient they were.

The reason for doing this is that there is a requirement in the army more particularly than in the other two services for bilingual officers. This is obvious, I think, from the commitments we have had to carry out in the Congo and Indochina, and there are several French speaking countries in Africa which have asked for French speaking officers and soldiers. The matter of submitting to tests for language proficiency is on a voluntary basis. However, it is true that once there is a marking of B, or B bracketed, as the hon. member has read in the instruction, this does mean something and it will be considered in promotions to certain positions.

Mr. Deputy Speaker: Order; the hon. minister's time has expired.

DEFENCE PRODUCTION—CONTRACT TO QUEBEC FIRM FOR DESTROYER CONVERSION

Mr. Robert Muir (Cape Breton North and Victoria): Yesterday, Mr. Speaker, I posed a question to the Minister of Defence Production as follows:

May I ask the minister, is it correct that a $3½ million conversion contract for the destroyer

Skeena has been designated to the Davie Shipbuilding Company of Lauzon, Quebec?

According to Mr. Speaker, this question should have been put on the order paper. I felt otherwise. I felt it was really urgent to the people concerned. I tried to point out to Mr. Speaker that it should be allowed on this occasion because it was so serious. The reasons I gave were, the high employment rate on the west coast as a result of the large wheat sale, and the grain handling involved—I will come to that a little later. Then I pointed out that the Quebec yards have already received recently several large shipbuilding contracts; that cut-backs in defence contracts have resulted in substantial layoffs in many areas of my province of Nova Scotia and our shipyards have suffered greatly from cancellation of the general purpose frigate program.

I was not successful in putting my original question, but had I been I would have liked to pose a supplementary to the minister in this manner. In view of the fact that four of the five conversion contracts have been designated to west coast shipyards and the fifth to a Quebec shipyard, would the minister assure the house that the remaining two jobs would be designated for shipyards in the Atlantic provinces? As I understand it, seven ships in all are going to have conversion jobs, or I should say the balance of five. I understand that two, the *Assiniboia* and the *St. Laurent* have been converted on the west coast. The *Saguenay* and the *Ottawa* are now undergoing conversion in Pacific coast yards.

It has been suggested in a newspaper item within the last few days that the *Margaree* is scheduled also to go to Pacific coast yards. What prompted my question was a newspaper item that the *Skeena* was probably going to the Davie Shipbuilding yard in Quebec. This would leave one, the *Fraser*, which as I understand it, has not been allocated anywhere as yet.

I should like to point out to the minister how important these contracts are to the shipyards and to our economy on the east coast at the moment. We have not had any of these jobs to do. As I have just pointed out, the other yards have been quite busy.

We should like to get a share of the work that is going. These cutbacks have been most serious, not only in this field about which I am talking at the moment, but we have had cut-backs at H.M.C.S. *Cornwallis;* cut-backs at Fairey Aviation Limited, Dartmouth; cutbacks at Enamel and Heating at Amherst; cut-backs at Enamel and Heating, Charlottetown and in my own constituency lay-offs are occurring weekly at Point Edward naval base, and apparently this base will close completely before this government is finished; cut-backs at the Beaverbank radar base in Nova Scotia; cut-backs at the Greenwood air base. Then, of course, there has been the general frigate program cancellation. The result of a lot of these naval cut-backs, for instance, has been a lack of work for the North Sydney and Marine Railway and the Sydney Engineering and Drydock. They have not been able to get any refit contracts.

Then, I should like to refer to a few of the headlines that have appeared only today in the Halifax *Chronicle-Herald.* We see headlines like these, "Plane Phase-Out Ends Defence Job for P.E.I."; another one reads, "No Hope for Defence Work". This relates to information given in reply to a question by the hon. member for Queens (Mr. Macquarrie) by the defence production minister. Another headline reads, "Neptune Refits Dropped; Bitter Blow for Fairey". I quote part of the article:

> Fairey Canada Ltd., the Dartmouth aviation company has suffered what one employee called "another bitter blow".

Since this government has taken office, Mr. Speaker, we have suffered a series of cutbacks, lay-offs, obliterations, annihilations, abortive methods, cancellations, postponements, and slashes in defence spending, particularly in the last number of months. Where is it going to stop? It is a very serious situation economically, and we must have something to replace this lack of employment.

According to a Canadian Press item appearing in the Cape Breton *Post* on July 10, there is a report of a meeting of the Halifax-Dartmouth and district labour council in which it is stated that one delegate said at this meeting:

> "If Drury and Hellyer have their way there will be no defence contracts left in Nova Scotia."

Is it any wonder that a statement of that nature has been made? I understand strong protests have been sent to the minister and I would hope he would try to assist in this situation. I would plead with him and the government to get cracking and do something on behalf of the Halifax shipyards and the Saint John drydock, so that one of these remaining conversion jobs may be directed to each of these yards, through negotiations or whatever means are necessary.

When he replies I hope the minister will be able to give us some encouragement because the cancellation of any of these projects

means so much to the economy of the Atlantic provinces. I would ask him to again seek the co-operation of his colleagues in the cabinet in having one of these destroyer escort conversion jobs placed at the Halifax shipyards and the Saint John drydock.

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, the hon. member has dwelt at some length on the cut-backs in contracts in respect of defence operations. I have tried to make clear, inside the house and outside it, the nature of the reduction in the work load in respect of aircraft. This is the direct and inevitable consequence of technical change in the air industry and among aircraft users in Canada. This is not part of a deliberate policy to reduce; it is a consequence of technological change; and the simple fact is that aircraft are becoming fewer in the numbers required to do a major over-all job. They are becoming more efficient individually and more costly, and as a consequence fewer are required and fewer can be afforded. Because there will be fewer aircraft in the total pool there will be fewer to be overhauled and repaired.

While the government, and particularly myself, have every sympathy with those aircraft repair firms, and especially their employees, who are suffering as a consequence of this, the government, and in particular the Department of Defence Production, have been at pains to endeavour to find alternative types of work for these aircraft plants, principally through the production sharing program with the United States, and I would point out that such contracts are obtained in a price competition with United States firms and call for efficiency, energy and capability on the part of the firms seeking replacement contracts.

There is no serious possibility of hoping that the Royal Canadian Air Force will substantially increase the number of aircraft in its inventory in order to meet particular needs of aircraft firms which have not as much overhaul and repair business as they have had in previous years.

Mr. Deputy Speaker: Order. The minister's time has expired—

Mr. Muir (Cape Breton North and Victoria): On a point of order, the minister has replied to aircraft production but has not replied on the basic matter I raised, dealing with destroyer escort jobs.

Mr. Deputy Speaker: I would suggest to the hon. member that he ask another question and have another opportunity of discussing it on the adjournment debate.

Motion agreed to and the house adjourned at 11.17 p.m.

[*Answer to question No. 1,123 referred to on page 5495 of July 15 issue.*]

Answer: 1. Last May 14, a communication received from the ambassador of Denmark indicated his government's concern about the possible sale, on the British market, of Canadian butter which has been in storage since 1960-61. (a) The ambassador pointed out that butter production in Europe was on the increase and expressed the view that exports of Canadian butter to traditional markets below market price should be avoided. (b) The Canadian reply pointed to a shortage, on the British market, of butter which the traditional purveyors could not meet in the required amounts and within the time limits provided. Butter imports in Great Britain are subject to quotas, and the British government issued additional permits for import from North America only under the threat of increased prices; such permits were meant to supplement rather than to displace purchases from other supplying countries. Under the circumstances, the sale of Canadian butter was not likely to be prejudicial to the commercial interests of those other countries.

2. No. See answer to part 1 above.

3. There is no special agreement in this regard between Canada and Denmark, but the government of Canada has given assurances, on the international level, that in disposing of its farm surpluses, it would avoid any prejudice to the commercial interests of other supplying countries.

END OF VOLUME V